

The City of Hanford
CALIFORNIA



City Council Meeting Agenda

November 16, 2021
7:00 PM – Regular Meeting
Council Chambers
400 N. Douty St.

Council Members will meet in-person in the Council Chambers.
The meeting will also be lived streamed on the City's website:
<http://livestream.hanford.city/>

4:00 PM CALL TO ORDER STUDY SESSION AND CLOSED SESSION:

ROLL CALL BY THE CITY CLERK :

PUBLIC COMMENT :

*Comments from the public are limited to items on the agenda (GC 54954.3a). A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

STUDY SESSION :

- A. COS Leadership Academy Attendee Recognition
- B. Finance: Receive presentation from NHA Advisors on pension cost containment strategies and provide input and direction on development of possible strategies and future development of a Pension Funding Policy
- C. Overview of City's Code Enforcement Division and discussion of Blighted Areas and Nuisance issues

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

- A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (GC 54956.9 (d)(1):

City of Hanford v. Paul Singh Family Limited Partnership
Kings County Superior

B. CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATIONS (GC 54956.8):

Property: 11722 Fargo Ave.
APN: 007-360-016-000
Agency Negotiators: Ty Mizote

C. CONFERENCE WITH LEGAL COUNSEL - LABOR NEGOTIATIONS (GC 54957.6) :

Agency designated representatives: Mario Cifuentez and Ty Mizote
Employees: All represented and unrepresented employees

CALL TO ORDER REGULAR SESSION:

ROLL CALL:

INVOCATION:

Pastor Candice Cortez

FLAG SALUTE:

RECOGNITION/PROCLAMATIONS:

- A. Recognition of the art contest winners for the designs on the new Park Resource Officer Truck
- B. Christian Heritage Week Proclamation 2021

CLOSED SESSION ACTION REPORT:

STAFF COMMUNICATIONS:

COUNCIL REPORTS/COMMENTS:

PUBLIC COMMENT:

*This is the time for citizens to comment on subject matters not on the agenda and that are within the jurisdiction of the Hanford City Council. This is also the public's opportunity to request an item from the Consent Calendar be pulled for discussion purposes or to comment on any item on the agenda. Comments related to Public Hearing items will be heard at the time the item is discussed. A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

CONSENT CALENDAR:

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

- A. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title the only.

- B. Administration: Approval of the City of Hanford salary schedules, including amendments to job classifications or title changes made since July and the increase in minimum wage and authorization for City Administration to amend all other documents as may be necessary to implement the updates.
- C. Administration: Approval of an Amendment to the Memorandum of Understanding (MOU) with the County of Kings, for the annexation of eight (8) islands that are fully surrounded by the City of Hanford, to amend the date of the transition of Law Enforcement coverage to become effective on July 1, 2023
- D. Administration: Approval of Amendment No 1 of the License Agreement between the Carnegie Museum of Kings County and the City of Hanford to extend the term of the agreement until December 31, 2022
- E. Administration: Approval of the Sale of one (1) parcel on Idlewood Way to Habitat for Humanity of Tulare/Kings Counties, Inc.
- F. Community Development: Approval of the Second reading and adoption of Ordinances 21-07 through 21-13, approving Prezone No. 2021-01 through -03 and 2021-05 through -08, a request to prezone the county islands, in accordance with their General Plan Designation. Location: Seven County Islands, various locations.
- G. Community Development: Second reading of Ordinance 21-14, approving Zone Text Amendment No. 2021-01: A request, by the City of Hanford, to amend Title 17, Section 17.08.030 – Commercial, Office, and Industrial Zone Use Table of the Hanford Municipal Code by adding sections in order to: a. Create size breakdowns for “Office; medical, dental, or optometry” and allow limited office uses in the C-R Regional Commercial zone district; and b. Create size breakdowns for “Office; professional or commercial” and allow limited office uses in the C-R Regional Commercial zone district; and c. Eliminate size breakdowns for “Furniture stores” and allow furniture stores (any size) as a permitted use in the C-R Regional Commercial, MX-C Corridor Mixed Use, and MX-D Downtown Mixed-Use zone districts; and d. Add “Laboratory; general, medical, or dental” as a conditionally permitted use in the C-R Regional Commercial zone district; and e. Add “Food catering” as a permitted use in C-N Neighborhood Commercial, C-R Regional Commercial, and MX-N Neighborhood Mixed Use zone district.
- H. Community Development: Sign Permit 2021-36: A request by Main Street Hanford to paint a mural onto the exterior wall of an existing building. The property is located at 114-116 N. Irwin Street. (APN 012-055-009).
- I. Community Development: Historic Resources Permit 2021-07: a request to remodel the bottom band of the façade at 240-250 W. Eighth Street within the Historic Overlay Zone. The property is designated as a contributing building. (APN 012-022-003).
- J. Public Works: Authorization to award contract to 4Creeks of Visalia CA, in the amount of \$31,268.00 for the design the Police Department Parking Lot Expansion Project.
- K. Public Works: Approval of a payment to King's Petroleum, for the purchase of unleaded fuel for Fleet Operations, in the amount is \$31,480.74.

- L. Public Works: Acceptance of the Grant Deed from Brian D. McCutcheon, an unmarried man, dated October 26, 2021 for street widening purposes at Cedar Grove Street and 13th Avenue; Authorization for the City Manager to sign the deed certification and the City Clerk to file said deed with the Kings County Recorder's office.
- M. Public Works: Award a contract to TBS Construction of Madera Ca, in the amount of \$257,278.78 for the FY 20/21 CDBG Lacey Park Basketball Courts Project, establish a construction contingency of \$25,000.00 for this project, appropriate an additional \$64,319.70 from the Park Impact Fee Reserve Fund and \$40,359.08 from the Accumulated Capital Outlay Reserve Fund to fully fund the project.
- N. Public Works: Authorization to Advertise for Bids for the Drilling and Development Phase of the FY 20/21 New Water Supply Wells Project and Pre-Authorize the City Manager to award and execute the contract on behalf of the City to the lowest responsible bidder providing project bid is within current budget appropriation.

8:00 PM PUBLIC HEARING:

- A. Clerk: Conduct the Second Public Hearing to receive input from the community regarding the redrawing of City Council Redrawing of City Council Member District Boundaries

GENERAL BUSINESS:

- A. Public Works: Approval of a contract with Quinn of Selma, CA. for the purchase and installation of a new radiator for the emergency generator located at Tank 5 in the amount of \$70,487.62 and approval of an additional appropriation of \$70,487.62 from Water Capital Reserves.
- B. Parks and Community Services: Approval of the submittal of a Request for Technical Assistance letter from the Trust for Public Land for technical assistance in connection with our efforts to finance our parks, trails, open spaces and other recreation priorities.
- C. Adoption of resolution 21-53-R, in order to increase the City of Hanford cannabis taxes up to the maximum allowable levels, in accordance with the Hanford Municipal Code as approved by the voters.

COUNCIL FUTURE AGENDA ITEMS:

Council Future Agenda Items

Upcoming Events and Important Dates:

November 19: Ice Rink Soft Opening/City Employee Event
November 20: Opening of the Winter Wonderland Ice Rink in Civic Park
November 25 & 26: Holiday – City offices closed
November 26: 2021 Christmas Parade in Downtown Hanford
December 7: City Council Meeting
December 18: Redistricting Workshop (tentative)
December 21: City Council Meeting
December 24: City offices closed
December 31: City offices closed

ADJOURNMENT:

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available to public inspection in the City Clerk's Office located at 319 N. Douty Street, Hanford, California 93230, during normal business hours. Such agendas are also available at the city's website, www.cityofhanfordca.com subject to staff's ability to post the agenda before the meeting.

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 559-585-2515, 319 N. Douty Street, Hanford, California 93230, at least 2 days prior to the meeting {28 CFR 35.102.35.104 ADA Title II}



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: B
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SUBJECT:

Finance: Receive presentation from NHA Advisors on pension cost containment strategies and provide input and direction on development of possible strategies and future development of a Pension Funding Policy

RECOMMENDATION:

Staff recommends that City Council receive a presentation on pension cost containment strategies from NHA Advisors the City's Municipal Financial Advisor. It is recommended that City Council provide direction to staff on possible development of any strategies and future development of a Pension Funding Policy.

BACKGROUND:

As part of its overall employee compensation plan, the City provides a defined pension benefit to its employees. This benefit is administered by the California Public Employees Retirement System (CalPERS) and funded through contributions from the City and its employees and from investment earnings on those contributions. CalPERS Board of Administration, under the California Public Employees Retirement Law (PERL), is responsible for the administration and investment of the funds it receives and determines the amounts contributed by each of the governmental entities that participate in CalPERS.

The City has two separate plans with CalPERS, one for Safety employees (the Safety Plan) and one for all other employees (the Miscellaneous Plan). In addition to the two plans there are two separate categories of employees. The California Public Employees' Pension Reform Act (PEPRA), which took effect in January 2013, changes the way CalPERS retirement and health benefits are applied, and places compensation limits on members. The greatest impact is felt by new CalPERS members.

As defined by PEPRA, a new member includes:

- A member who joined CalPERS prior to January 1, 2013, who, on or after January 1, 2013, is hired by a different CalPERS employer following a break in service of more than six months.

- A new hire who joined CalPERS for the first time on or after January 1, 2013, and who has no prior membership in another California public retirement system.
- A new hire who joins CalPERS for the first time on or after January 1, 2013, and who was a member of another California public retirement system prior to that date, but who is not subject to reciprocity upon joining CalPERS.

All members who do not fall into the definitions above are considered classic members. Classic members will retain the existing benefit enrollment levels for future service with the same employer.

City's CalPERS Unfunded Accrued Liability (UAL) is \$50.9 million as of June 30, 2021. This is the largest General Fund debt and is due primarily to Classic members of the City. Upon consideration of pension cost containment strategies, it is recommended that Council direct staff for development a Pension Funding Policy that is in line with strategies that Council may be in favor of.

A Pension Funding Policy is intended to establish pension funding criteria to be used by the City Council, City Manager and Finance Director. The goal of these guidelines would be to:

- Provide guidance in making annual budget decisions;
- Demonstrate prudent financial management practices;
- Create sustainable and affordable budgets related to pensions;
- Reassure bond rating agencies; and
- Show employees and the public how pensions will be funded.

Recommendation

After tonight's presentation, it is recommended that Council provide staff and NHA direction on whether any concept should be evaluated further. No action tonight would not lock the City into any permanent action. If the City Council had any interest in some of these strategies, additional workshop(s) would be scheduled to provide additional information and answer questions.

If the City wanted to proceed towards a UAL Restructuring,

- it would take about 3-4 months before being in position to execute a Pension Obligation Bond (PO) and lock interest rates;
- 2-3 months under a Lease Revenue Bond structure;
- Staff and NHA would continue the evaluation/education process and bring forth to Council more robust options and stress testing analysis during this timeframe;
- **City Council would still have to formally approve the financing strategy and additional financing documents for a final approval and execution of POB;**
- **City Council would be asked to approve final bond structure, as well as legal and disclosure documents over the course of 2-3 future meetings**

FISCAL IMPACT:

There is no financial impact to this item at this time. However, consideration of pension cost containment strategies may lead to future savings to the City.

ATTACHMENTS:

Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg)

CITY OF HANFORD

PENSION COST-CONTAINMENT DISCUSSION



NHA | ADVISORS
Financial & Policy Strategies.
Delivered.

NOVEMBER 16, 2021

NHA Presenters: Experienced and Adaptive to Navigate Complex Projects



Eric Scriven, Principal

Serving California public agencies on municipal advisory, consulting or banking assignments since 1990

Proud to be a FIDUCIARY (not a salesperson-transaction oriented) professional

Expert service as Translator/Educator of complex financial topics, Project Manager upon execution of client's directives, always an energetic client advocate, proponent of deep due diligence and presentation of ALL facts and options for client to evaluate to make the best decisions for their individual public agency



Mike Meyer, Vice President

8 Years Underwriting Experience and 10 Years Municipal Advisory

Leads all pension related engagements (65+ entities served including education, cost management strategy, policy, etc.)

Recently managed 17 UAL restructurings (\$1.7 billion in par) for National City, Lakeport, Oroville, Fort Bragg, Stanislaus Fire, Corte Madera, Riverside, Torrance, Chula Vista, Ukiah, El Monte, West Covina, Auburn, Palos Verdes Library, North County (SD) Fire and others

6 Other Senior Advisors (Registered MA's) plus support staff would be leveraged depending on scope of project



Background - Overview

- ▶ City's CalPERS Unfunded Accrued Liability (UAL) is \$50.9 million as of June 30, 2022
 - ▶ **UAL payments have increased: \$2.5 million (2015) to \$4.8 million (2022)**
 - ▶ **UAL payments projected to rise further: \$5.3 million (2031)**
- ▶ CalPERS FY 2020-21 returns of 21.3% and key assumption changes will dramatically change the “shape” of City's UAL repayment schedule
 - ▶ **UAL balance may drop to \$33.0 million**
 - ▶ **Repayment “Shape” projected to be lower and shorter**



Background - Retirement Plans

- ▶ 2 CalPERS plans
 - ▶ Miscellaneous: 589 covered members
 - ▶ Safety: 335 covered members
- ▶ PEPRAs helpful to manage long term pension costs for new employees
 - ▶ PEPRAs are reduced benefit plans
- ▶ However, over 99% of UAL is from Classic plans and not reduced by PEPRAs

MISCELLANEOUS PLANS			
Benefit Group	# of Actives	% of Actives	Benefit Formula
Miscellaneous	99	48.5%	3% @ 60
PEPRA Miscellaneous	105	51.5%	2% @ 62
Total Active Members	204	100%	-
Total Covered Members	589	-	-

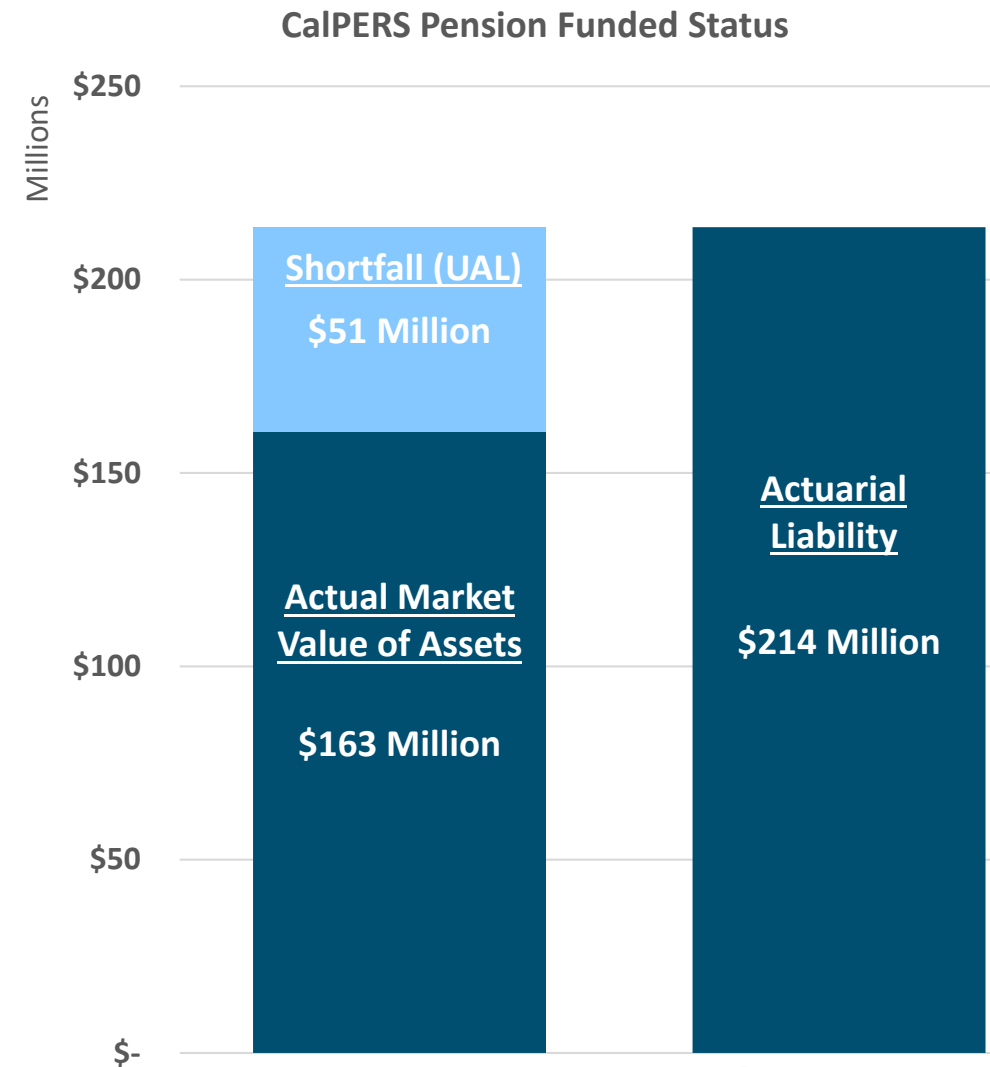
SAFETY PLANS			
Benefit Group	# of Actives	% of Actives	Benefit Formula
Safety Fire	20	22.0%	3% @ 55
PEPRA Safety Fire	13	14.3%	2.7% @ 57
Safety Police	39	42.8%	3% @ 55
PEPRA Safety Police	19	20.9%	2.7% @ 57
Total Active Members	91	100%	-
Total Covered Members	335	-	-

Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance: 4.B.a)



Background - Two Payments Made to CalPERS Annually

- ▶ **Normal Cost (NC)** = Annual cost for current employees
- ▶ **Unfunded Accrued Liability (UAL):** Annual payment to amortize the “debt” to CalPERS
 - ▶ CalPERS actuaries calculate how much the City is required to have in its account with them to pay out benefits to City’s retirees over the next 30-40 years (Actuarial Liability)
 - ▶ CalPERS annually calculates the Market Value of City’s assets held on account with them; Most public agencies have *less assets than required* to meet Actuarial Liability
 - ▶ This shortfall (i.e. the “UAL”) is not repaid all at once; it is amortized over time with the City paying down a portion each year (principal and interest)
 - CalPERS currently uses “discount (i.e. interest) rate” of 7.00%
 - CalPERS annually adjusts this repayment schedule by adding a new “base” (i.e. layer) which adds to (in bad investment years) or lowers (good investment years) the overall repayment schedule
 - Over past 20 years, the addition of these “layers,” along with other CalPERS assumption changes has created a very irregular repayment shape for most CalPERS public agencies



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:



Historical PERS Returns

5-Year: 10.3%
10-Year: 8.5%
20-Year: 6.9%
30-Year: 8.4%

Background - Why CalPERS Costs have Trended Higher

Then (late 1990s)...

- ▶ Robust investment returns (10%+)
 - ▶ Retirement plans were “Super-Funded” through the late 1990s
 - ▶ Earnings on funds were more than adequate to cover retirement costs
- ▶ Super-funded Status induced widespread retirement benefits enhancements....

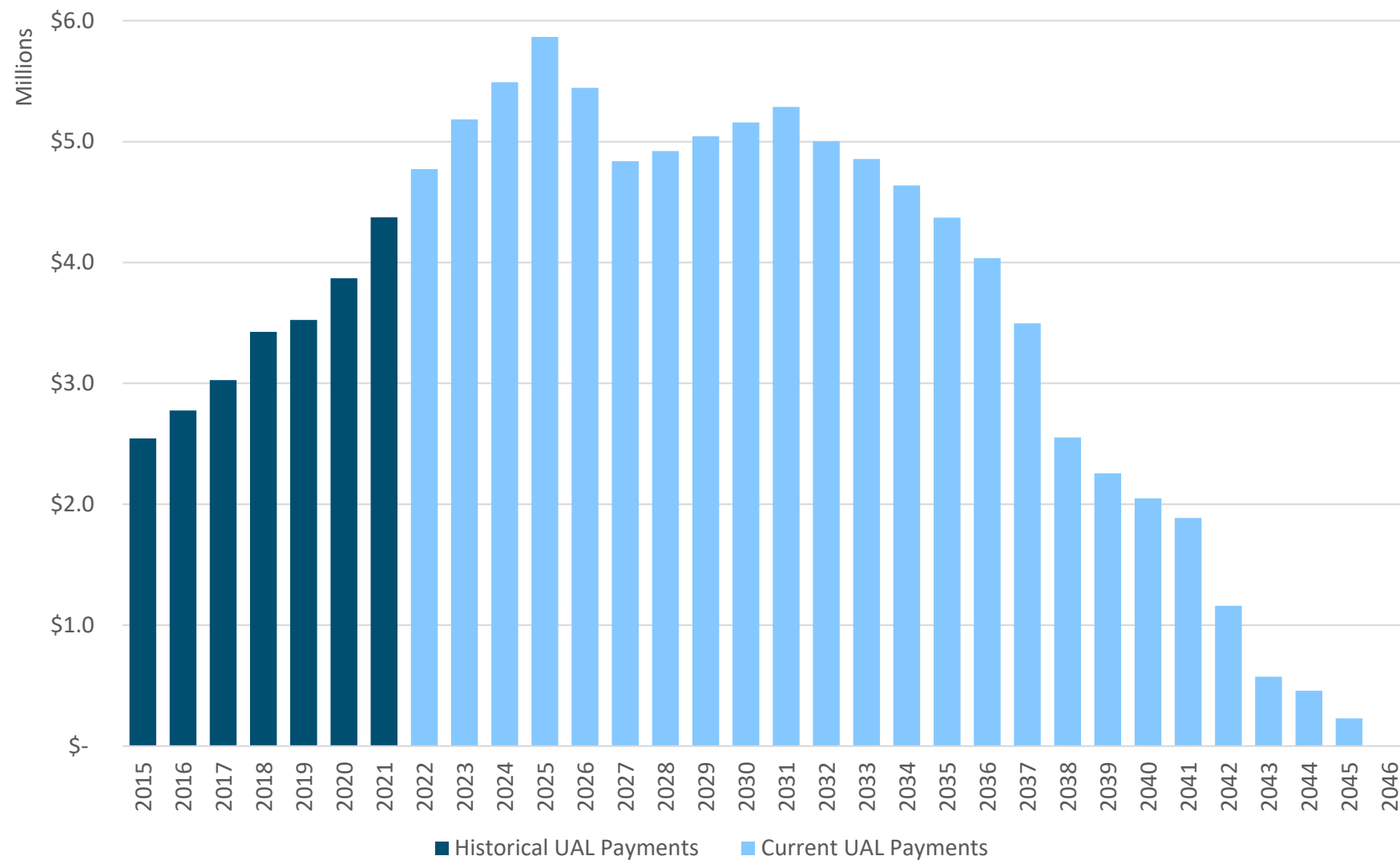
Now ...

- ▶ Sluggish returns outlook (<7%)
- ▶ Assumptions have changed/changing
 - ▶ Discount Rate: 8.25% → 7.00% → ??
 - ▶ Inflation rate (prices going up?)
 - ▶ Mortality rates (people living longer)
 - ▶ Actuarial Valuation → Market Valuation
 - ▶ Shorter (20 year) amortization
- ▶ UAL payments have grown rapidly from past changes, remain exposed to the upside from future poor investment returns and assumption changes



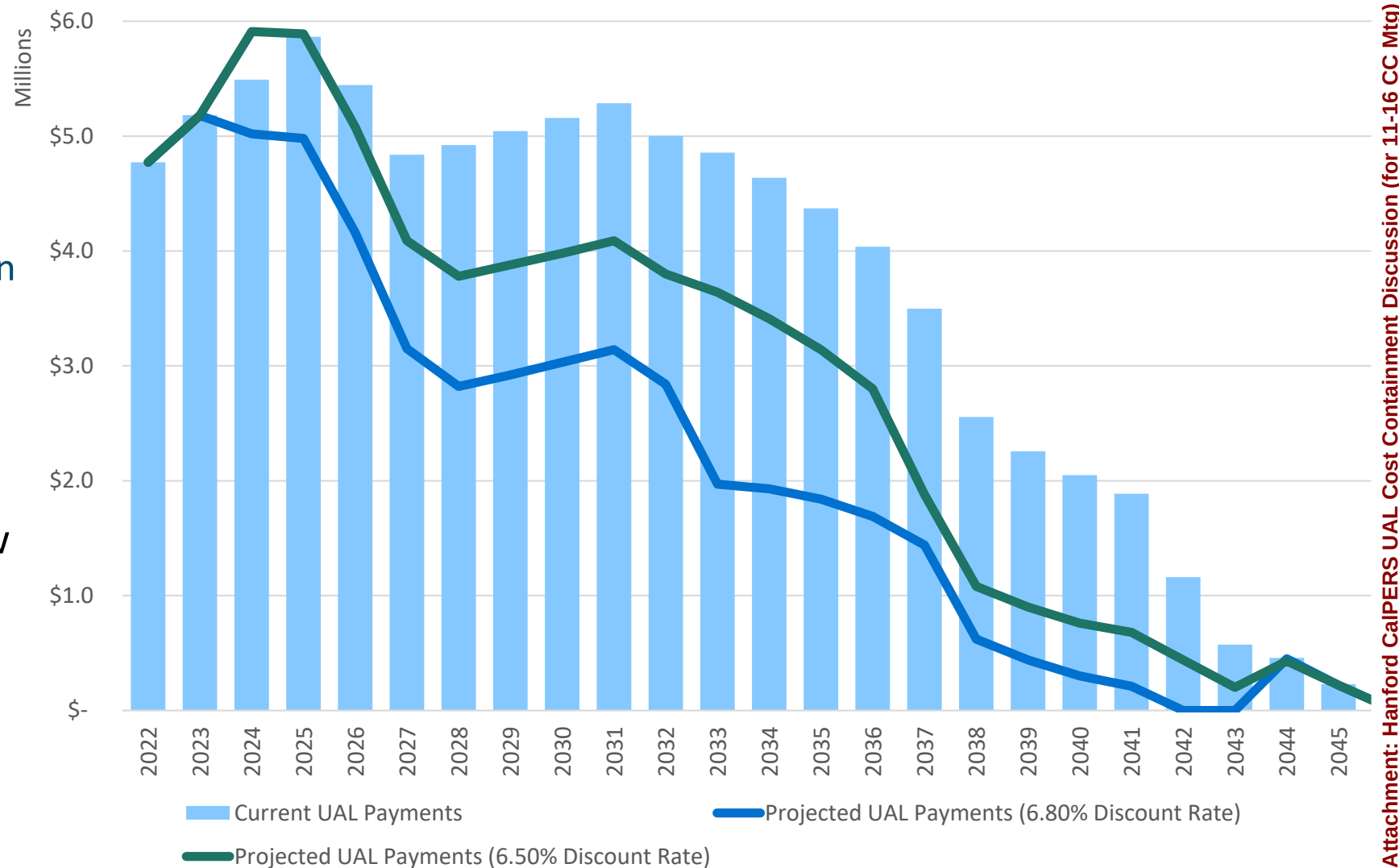
Background – Current UAL Payment Schedule (\$50.9M UAL)

- ▶ City's UAL has increased 42% (\$35.8M → \$50.9M) over the last 7 years
- ▶ Escalating and uneven UAL & debt repayment shape
- ▶ UAL payments front-loaded over the next 15 years



Background – Projected UAL Payments

- ▶ The City's UAL is projected to decrease from \$50.9M to \$33.0M
- ▶ UAL change reflects:
 - ▶ FY 2021 returns of 21.3%
 - ▶ Potential discount rate reduction to 6.8%
 - ▶ Assumes longer-term bases (i.e. layers) of the UAL will be eliminated first
- ▶ CalPERS may even consider reducing discount rate to as low as 6.5% (or lower)
 - ▶ At 6.50%, UAL would reduce to \$43.3M
- ▶ Normal Cost payments will also increase when discount rate is lowered (not shown)



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:



Cost-Containment Strategies – Not Mutually Exclusive

(1) Prepay UAL early in Fiscal Year ($\approx 3.4\%$ discount) **[CITY DOES THIS]**

(2) Negotiate Cost Sharing With Employees **[CITY HAS DONE THIS]**

- Require employees to pay their share; New employees already governed by lower cost/benefit PEPRAs plans

(3) Fresh Start Amortization offered by CalPERS

- Pros: Smooths payment, shortens repayment period; reduces overall interest paid from shorter amortization period
- Cons: New structure “locked-in” + increased annual payments in near term; still amortized at discount rate

(4) Use Cash Reserves to Pay Extra (two options)

- Section 115 Trust - Separate trust solely dedicated to pension/OPEB
 - Offered by PARS, CalPERS, Keenan and others
- Lump Sum Pay Down of UAL – Reduce UAL through “Additional Discretionary Payments” (ADPs)
 - Choose optimal amortization bases to pay off

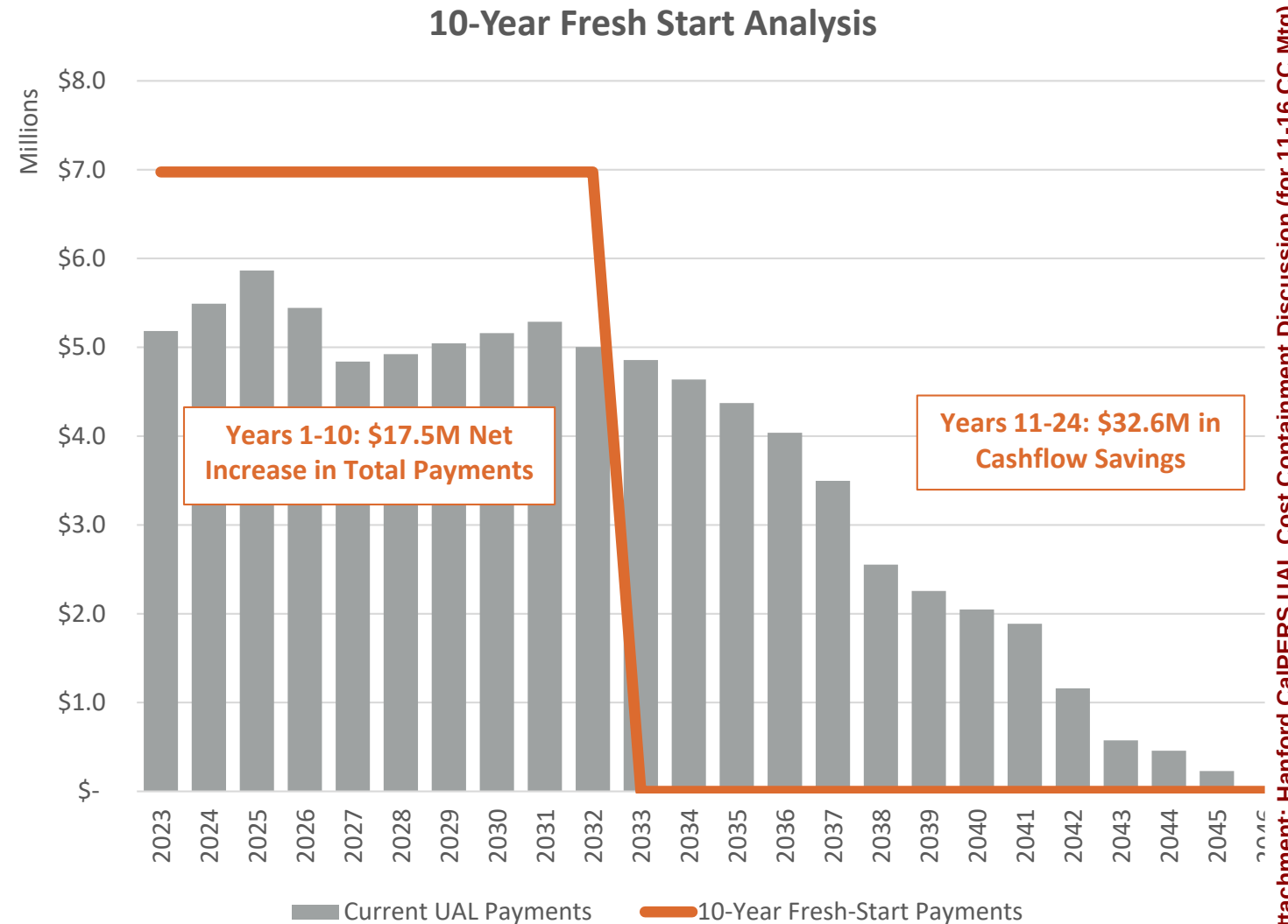
(5) Restructure All or Portion of Remaining UAL

- Restructure portion of UAL at lower bond interest rate (i.e. 3.00-3.50% vs. CalPERS rate of 7.0%) and “smooth out” payments for enhanced budget predictability, near and mid-term potential savings, and preservation of cash for other critical projects



CalPERS “Fresh Start”

- ▶ **What is it?** City can request new, smoother amortization schedule with CalPERS
 - ▶ Must be shorter than current term
 - ▶ Amortized at discount rate (currently 7%)
- ▶ **Pros:**
 - ▶ Overall reduction in interest paid on UAL
 - ▶ UAL paid off sooner
- ▶ **Cons:**
 - ▶ Near term payments are higher
 - ▶ All payment reductions are in later years
 - ▶ No net present value savings
 - ▶ City can't go back to old schedule
- ▶ Fresh Start is not commonly utilized – City could achieve same result using either the ADP or Section 115 strategy while maintaining some flexibility



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance)



Use Cash Reserves: Section 115 Trust

- ▶ **What is it?** Dedicated (restricted to pension/OPEB) account managed by 3rd party
- ▶ **Pros:**
 - ▶ Potential for increased investment returns vs. current General Fund reserves
 - ▶ General Fund investments restricted by Government Code (limits types of instruments and maturities)
 - ▶ Flexibility – more investment options than CalPERS and can decide when and how to use
 - ▶ Longer-Term: Trust funds can grow over time and pay off full UAL in the future
 - ▶ Shorter-Term: Apply during challenging budget years or to “smooth” payment spikes
 - ▶ Diversify assets under management away from CalPERS
 - ▶ Can also be used for Normal Cost “smoothing”
- ▶ The Trust will show up as an asset on the City’s financial statements, but will not technically offset UAL until funds are transferred to CalPERS



Use Cash Reserves: ADP

- ▶ **What is it?** City makes Additional Discretionary Payment (ADP) directly to CalPERS and designates which amortization base(s) / layer(s) shall be paid off
 - ▶ CalPERS will eliminate payments associated with the portion of the UAL paid off, essentially giving the City credit at the Discount/interest rate (currently 7%)
 - ▶ Actual credit given over time will be at CalPERS' actual future reinvestment returns
- ▶ **Pros:**
 - ▶ Reduced future payments
 - ▶ Reduced UAL / higher CalPERS funding ratio
 - ▶ Broader, less restrictive CalPERS investment portfolio has potential for higher returns
- ▶ **Cons:**
 - ▶ Re-investment and market timing risk with ADP funds



Restructuring UAL using Debt

- ▶ **What is it?** Borrow money to pay off all or a portion of UAL with CalPERS (i.e. very large ADP)
 - ▶ Pension Obligation Bond (POB) is typically utilized
 - ▶ Unsecured debt (no collateral required)
 - ▶ “Court Validation” to confirm UAL is a “debt” that can be refinanced
 - Typically a 3-to-4-month process
 - Validation provides option to issue POBs now or anytime in the future
 - ▶ Alternative option is lease revenue bond
- ▶ **Pros:**
 - ▶ POB rates significantly lower than CalPERS rate (currently 7%)
 - ▶ Current market: 3.00% to 3.50% (dependent upon term and credit rating)
 - ▶ Restructuring the annual payments into a smoother, predictable schedule is core objective
- ▶ **Cons:**
 - ▶ Re-investment risk and market timing risk of bond proceeds sent to CalPERS



Market Update – Recent UAL Restructurings

- ▶ 70+ agencies (\$6.5B+) have issued UAL Restructuring bonds since 2020
 - ▶ Rates: 2.54% to about 4.25%
 - ▶ Most 2021 deals under 3.0%
- ▶ More planned for issuance in 2021 and 2022

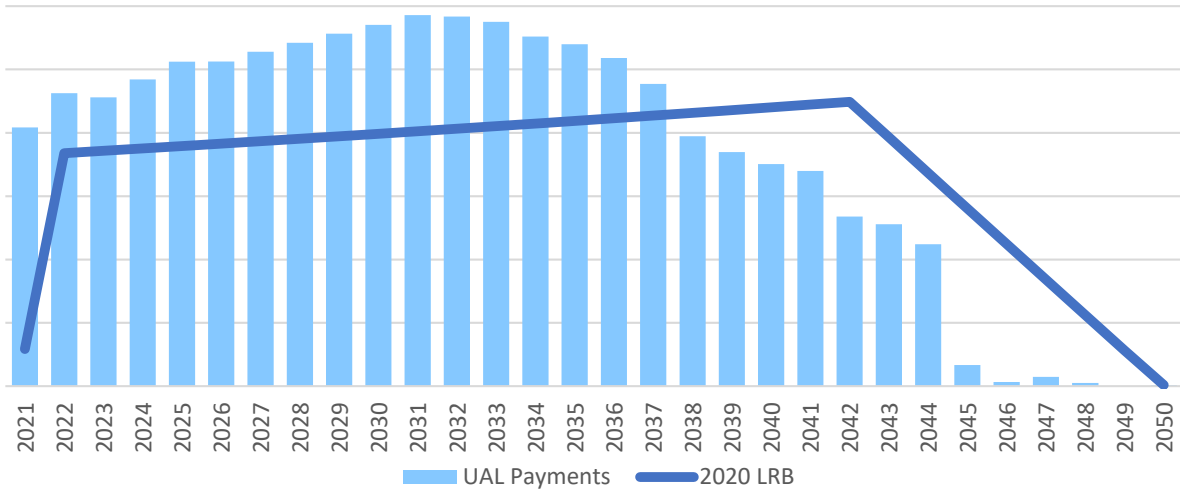
									
Lakeport	Corona	San Anselmo	Santa Ana	Commerce	Buena Park	Sanger	San Fernando	Whittier	Redondo Beach
(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)
\$7,920,000	\$276,710,000	\$9,285,000	\$425,830,000	\$27,875,000	\$96,385,000	\$19,450,000	\$31,780,000	\$133,895,000	\$226,180,000
AA	AA+	AAA	AA	AA-	AA+	A+	AA (Ins.)	AA (Ins.)	AA
									
Red Bluff	Auburn	El Segundo	Willows	Corte Madera	Manhattan Beach	Huntington Beach*	Orange	Chula Vista	Downey
(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)	(2021)
\$18,540,000	\$17,165,000	\$144,135,000	\$8,510,000	\$18,955,000	\$91,275,000	\$363,645,000	\$286,485,000	\$350,025,000	\$113,580,000
A+	AA+	AA+	A+	AAA	AAA	AA+	AA	AA	AA
									
Monterey Park*	El Cajon	Ukiah	Coachella	Gardena	Arcadia	Placentia	Torrance	Azusa	Pomona
(2021)	(2021)	(2020)	(2020)	(2020)	(2020)	(2020)	(2020)	(2020)	(2020)
\$106,335,000	\$147,210,000	\$49,875,000	\$17,590,000	\$100,590,000	\$90,000,000	\$52,950,000	\$349,515,000	\$70,075,000	\$219,890,000
AA	AA	A+	AA-	AA-	AAA	BBB+	AA	AA-	AA-

* Secured by pension tax override

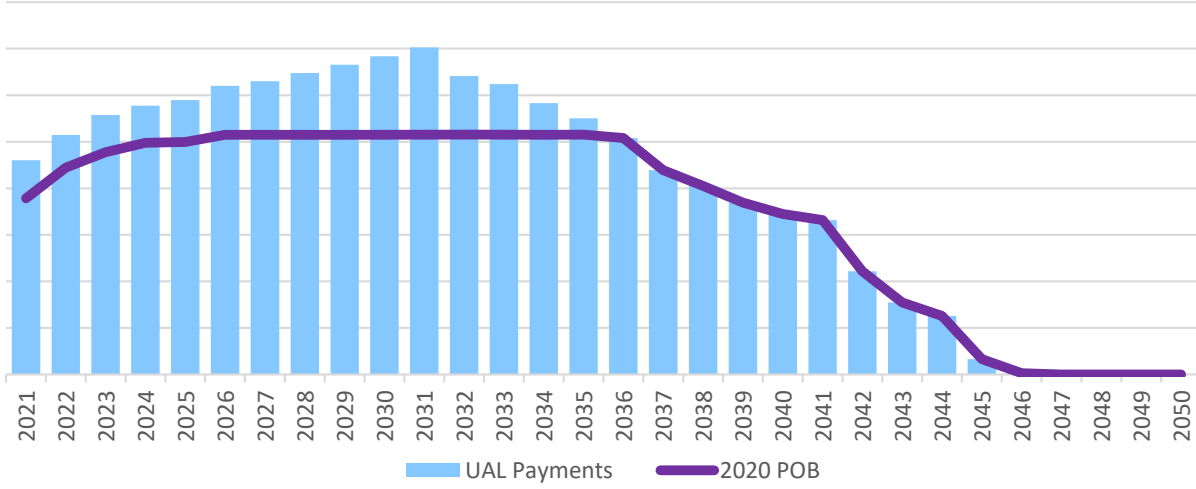


Recent Restructurings: Unique Approach for Each Issuer

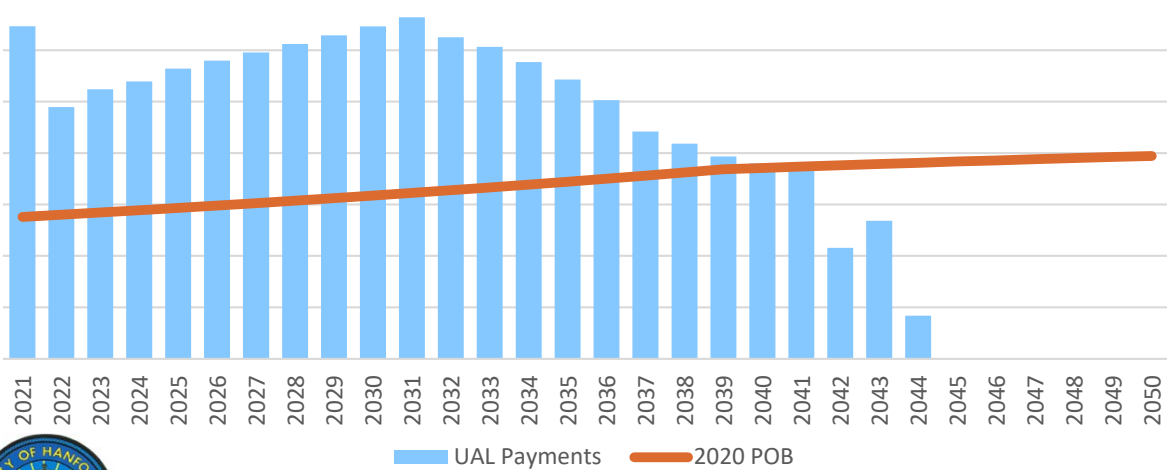
Ukiah: Upfront Relief + 1% Escalating + Linear Decline to 2050



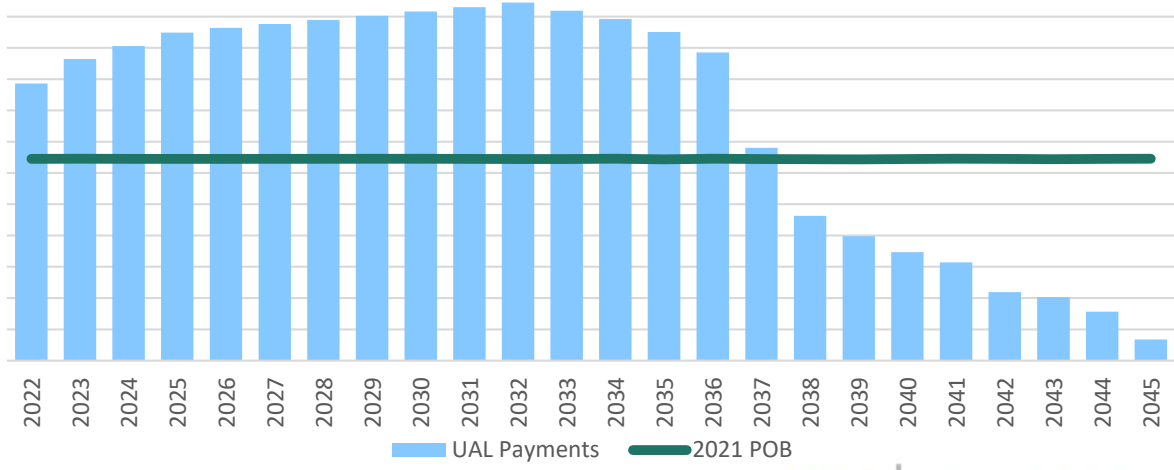
Riverside: Targeted Early Savings + “Chop the Peak” + No Dissavings



El Monte: 30-Year Restructuring Accommodating Pension Tax Override



Corte Madera: 24-Year Level



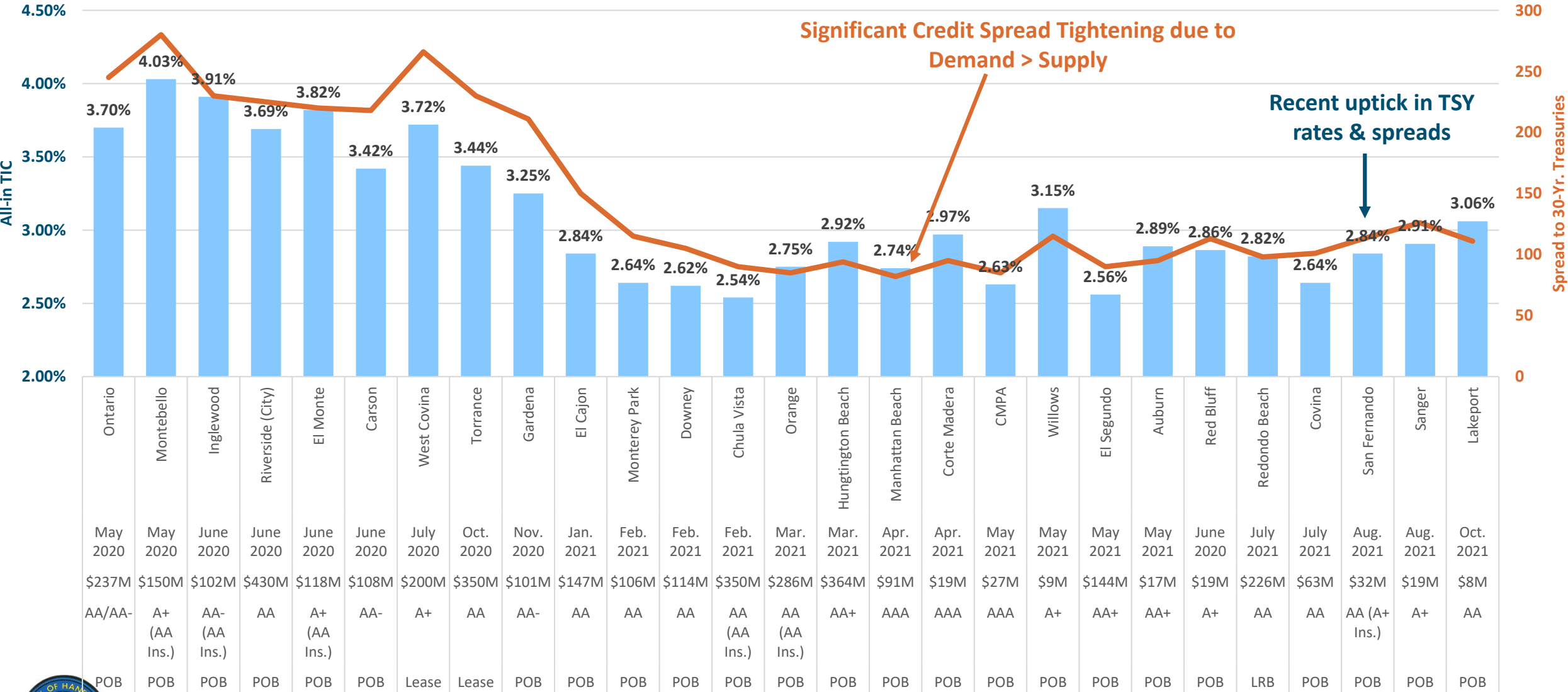
Interest Rates (30Y UST): Trending Higher Since September



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:)



POB Rates: Dropped Dramatically from Investor Demand



Note: Spreads and interest rates should be considered best estimates. Rates reflect estimated TIC or all-in TIC.

City of Hanford: Estimated Reduction of Size of UAL

- ▶ City's current \$50.9M UAL is likely to be reduced to \$33.0M
 - ▶ FY 2021 returns (21.3%) will significantly reduce the UAL
 - ▶ But CalPERS is expected to reduce discount rate from 7.00% to 6.80%, which would slightly offset expected UAL reductions from FY 2021 returns
- ▶ \$33.0M UAL restructuring size is a very preliminary target to both (1) maximize savings to the City while (2) reducing the risk of being overfunded (>100% funding ratio)

Current UAL	\$50.9 Million
Est. UAL Change From FY 2021 Returns & New Discount Rate	(\$17.9 Million)
Estimated New UAL	\$33.0 Million



Preliminary UAL Restructuring Options

OPTION 1

15 Year – Level
Payments

OPTION 2

20 Year – 1% Escalating
+ Linear Decline

OPTION 3

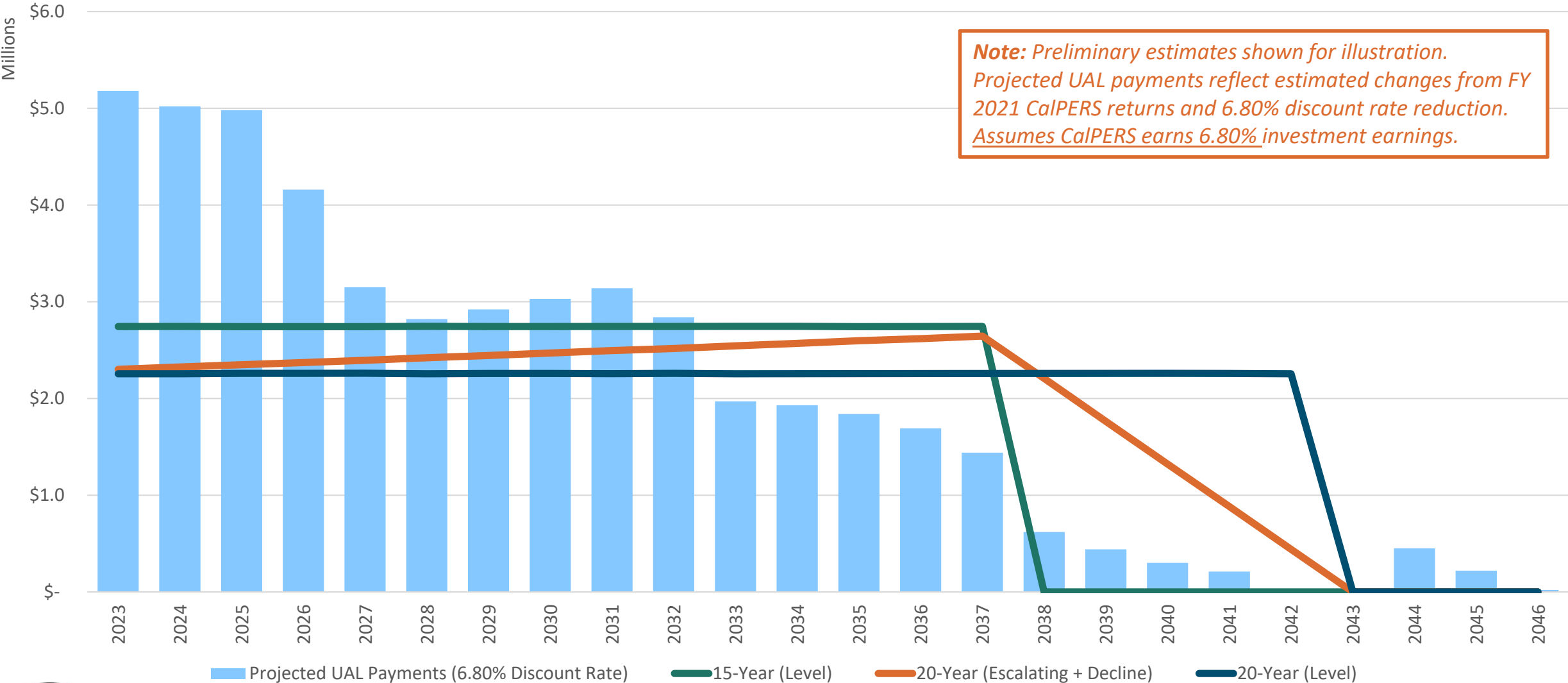
20 Year – Level
Payments

Assumptions

- ▶ 100% of New Projected UAL Paid Off (\$33.0M)
 - ▶ Factors in net effect of FY 2021 21.3% returns & 6.80% discount reduction
- ▶ Estimated Interest Rates from recent “A+” category POB
- ▶ Shorten term from current CalPERS final maturity of 2046
- ▶ Bonds are “callable” (ability to use cash or refinance the POBs early if desired)



Preliminary UAL Restructuring Options: Graphically Depicted



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:



Preliminary UAL Restructuring Options: Numerical Results*

- ▶ PV savings ranges from \$6.3M - \$7.0M*
 - ▶ 19.0% - 21.2% of refunded UAL*
- ▶ Savings through peak period (next 10 years) estimated at \$9.8M - \$14.7M*
 - ▶ \$981K - \$1.47M annually on average*

Metrics	15-Year (Level)	20-Year (Escalating + Decline)	20-Year (Level)
UAL Funded (\$)	\$33,010,000	\$33,010,000	\$33,010,000
% UAL Funded (Current Asset Valuations)	65%	65%	65%
Funded Ratio (Current Asset Valuations)	91%	91%	91%
% UAL Funded (Projected After FY 2021 Returns & 6.8% Discount Rate)	100%	100%	100%
Funded Ratio (Projected After FY 2021 Returns & 6.8% Discount Rate)	100%	100%	100%
Maturity	15 Years	20 Years	20 Years
Average Life	8.4 Years	10.3 Years	11.4 Years
All-In Interest Rate	2.96%	3.17%	3.25%
PV Savings (%)*	21.24%	19.65%	19.00%
PV Savings (\$)*	\$7,012,814	\$6,486,413	\$6,272,066
Cumulative Savings*	\$7,217,240	\$4,689,737	\$3,203,575
Savings (2023-2032)*	\$9,807,124	\$13,148,245	\$14,655,071
Average Savings (2023-2032)*	\$980,712	\$1,314,824	\$1,465,507



* **Note:** Preliminary estimates shown reflect estimated changes from FY 2021 CalPERS returns and 6.80% discount rate reduction. Assumes CalPERS earns 6.80% investment earnings.

Preliminary UAL Restructuring Options: Takeaways

- ▶ Many options if more comprehensive evaluation process is initiated
- ▶ Evaluation must tailor to each agency's objectives, risk/reward tolerances, and financial constraints
- ▶ Tradeoffs between shorter and longer maturities
 - ▶ Shorter: More cumulative savings, but less over next 15 years and **less resiliency to handle future economic shocks**, including CalPERS' investment underperformance
 - ▶ Longer: Less Cumulative savings, but more in the next 15 years and **increased long-term resiliency**



UAL Restructuring Pros & Cons Summarized

Primary Benefits

- Fiscal Sustainability Tool: “Re-shape” to “smoother” payments
- Near-Term Budgetary Savings
- Interest Rate Savings “Arbitrage”: Borrow at lower rates (currently $\approx$ 3.25%) vs. CalPERS (currently 7%)
- Increase Funding Ratio
- Flexibility to Modify Maturity

Primary Risks

- **Reinvestment Risk**: Savings dependent on future CalPERS returns (unknown at issuance) through term of bond - *Primary concern of GFOA*
 - Present value savings occur if PERS earns greater returns than pension bond interest rate
- **Market-Timing Risk**: Near-term losses exacerbate the reinvestment risk given large lump sum deposit into the market

*These risks should be quantified through a **stress testing process** to better understand the impacts of potential poor investment performance by CalPERS*

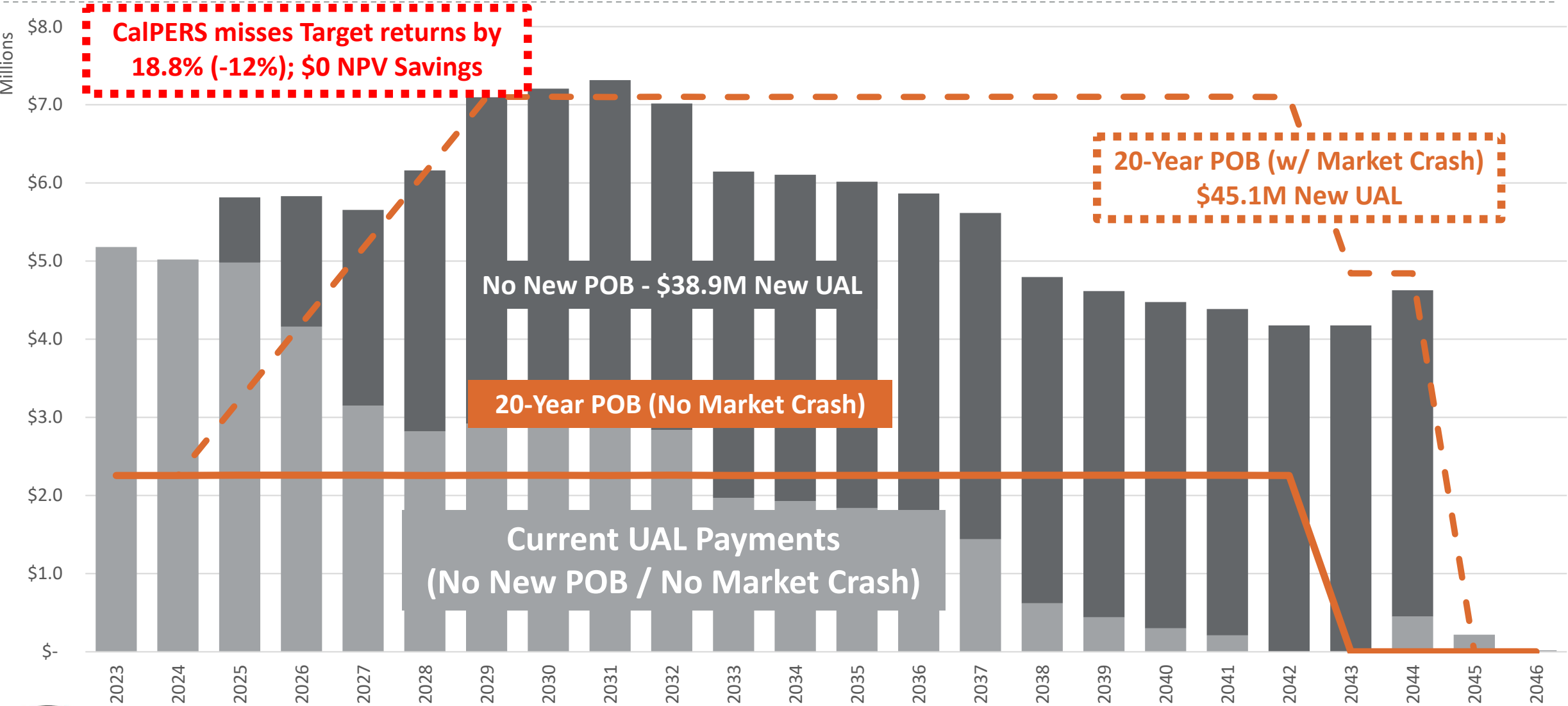
What if CalPERS only earns 4%?

What if there is another 2008-like recession?

Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:)



Preliminary Stress Test Analysis* – 1st Year “Market Crash”



Attachment: Hanford CalPERS UAL Cost Containment Discussion (for 11-16 CC Mtg) (Finance:)



* NHA is not an actuary. Analysis should be considered best estimates for presentation purposes.

Government Finance Officers Association (GFOA) Critique of POBS

Invested pension bond proceeds might earn less than the borrowing costs

- Yes. Instead of CalPERS's expected earnings rate of (currently 7.0%), lower actual returns could occur. The chances of long-term returns being below current < 3.25% borrowing costs do exist. A "stress testing" process is often helpful to better quantify this risk. Each agency has different risk tolerances.

"Pension bonds are complex instruments that carry considerable risk...and may include swaps or derivatives..."

- No. Only fixed rate POBS (no swaps or derivatives) are being issued in current marketplace.

"Issuing taxable debt to fund the pension liability increases the jurisdiction's bonded debt burden and potentially uses up debt capacity..."

- No. POBs replace CalPERS (all or portion) UAL on the Agency's Balance Sheet, thereby converting one liability for another. A lease bond (instead of an unsecured POB) does reduce asset/debt capacity.

Pension bonds are "typically issued without call options" making it more difficult to refund bonds if interest rates fall or a different debt service structure is desired in the future.

- No. All POBS are being issued with an optional redemption (5 or 10 year call) in current marketplace.

"Pension bonds are frequently structured in a manner that defers the principal payments..."

- No. Almost all POBS amortize principal immediately. Shortening, lengthening, or maintaining the same term of payments is at the discretion of each agency.

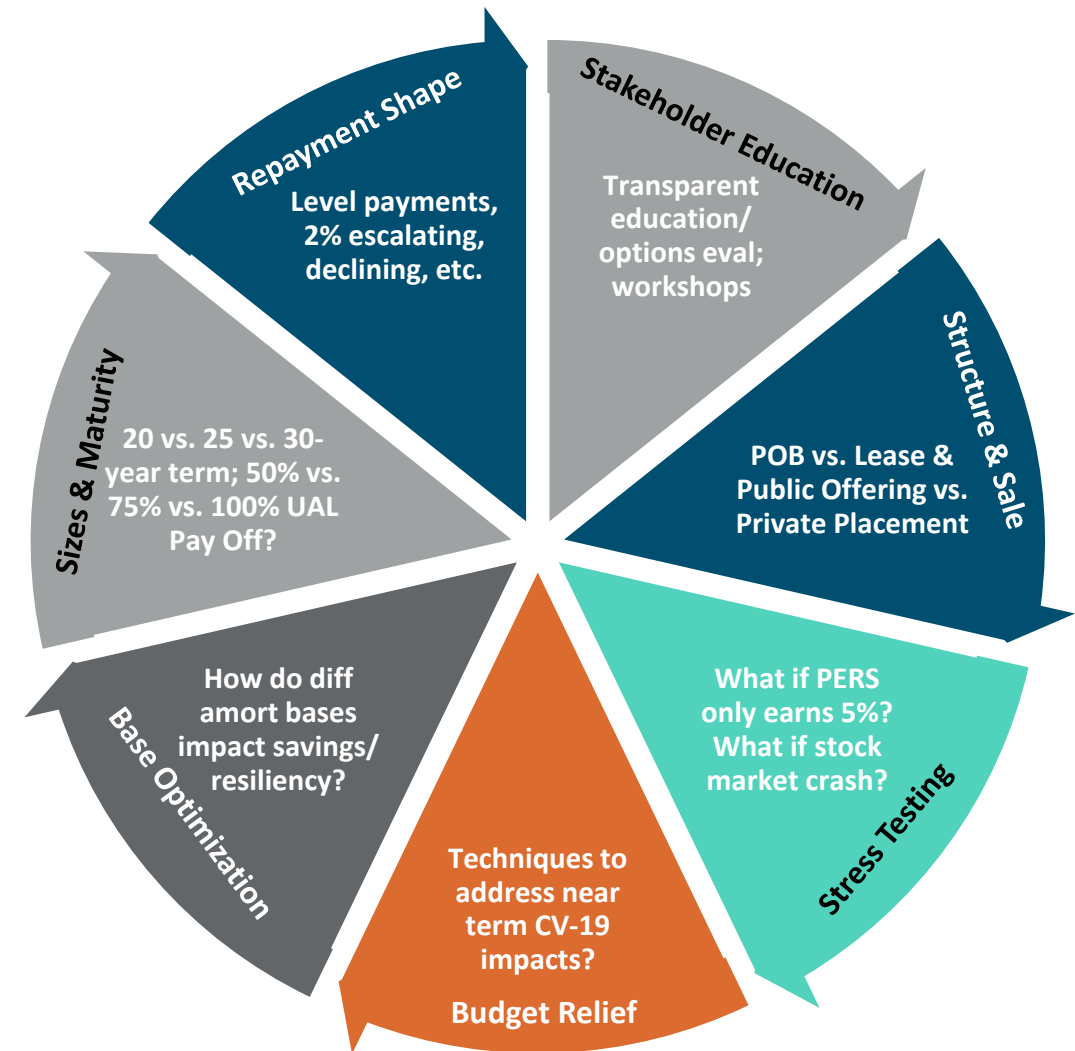
"Rating agencies may not view the proposed issuance of Pension bonds as credit positive..."

- No. If POB is prudently structured from a thoughtful and comprehensive policy to increase payment affordability, financial flexibility and long-term resiliency. A Pension Funding Policy is noted as a credit positive by S&P.



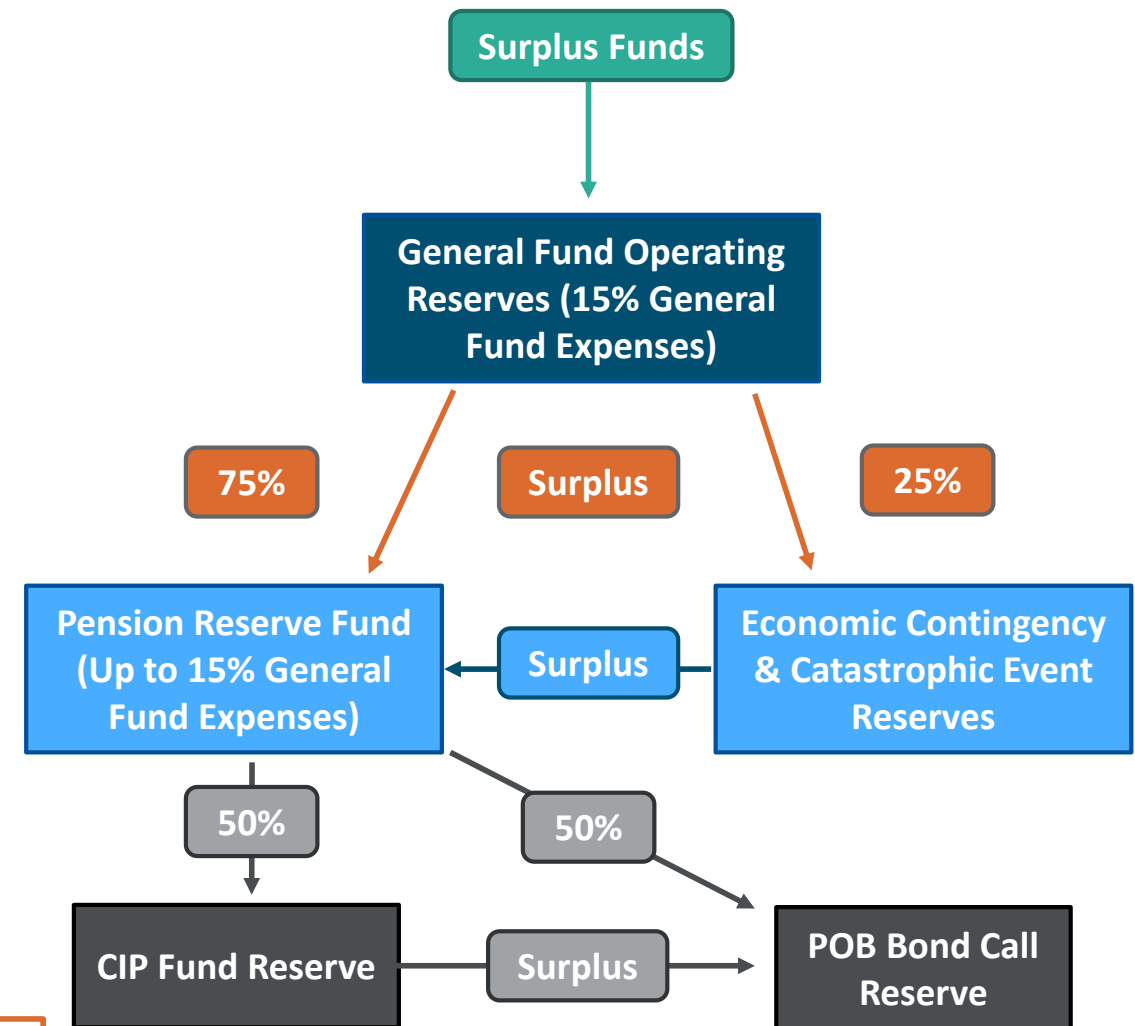
UAL Restructuring Evaluation Process: Robust and Thoughtful

- ▶ Proper Stakeholder education
 - ▶ Full exploration of options
 - ▶ Shapes, sizes, maturities, specific plans
 - ▶ Tailor to City's financial objectives, risk tolerance and other constraints
- ▶ **Stress testing process to quantify risks**
 - ▶ Structuring techniques to optimize savings / resiliency to future PERS reinvestment returns volatility
 - ▶ Market timing of investing proceeds
- ▶ Restructuring strategy and use of future savings should be governed by a **Pension Funding Policy**



Recommendation: Adopt a Pension Funding Policy

- ▶ Integrated into a comprehensive reserve policy
 - ▶ Provides direction and prioritization to use surplus funds for “filling up” City reserves and other important accounts
- ▶ Detailed projections that account for positive POB cash flow benefits under different CalPERS performance assumptions is a good planning tool
 - ▶ Also, a “credit positive” by rating agencies
- ▶ Beyond economic contingency reserves, surpluses may also be targeted towards funding Section 115 Trusts for additional future smoothing, if needed, of pension or OPEB costs
- ▶ Finally, funding an early redemption account of POBs, as well as other priority capital project funds may be considered



Note: Policy Graphic is provided for illustrative purposes only. Each agency should consider its unique needs and constraints for its own Pension Funding Policy..



Conclusion

- ▶ The City's Pension Liability (UAL) is its largest General Fund debt
 - ▶ UAL and annual payment have grown significantly over the recent past; however, UAL and annual payment is expected to be lower following FY 2021 returns and expected assumption changes
- ▶ If City desires to evaluate a UAL restructuring further, it is recommended that a comprehensive evaluation process be continued to ensure that decision makers and stakeholders understand the pros and cons, including risks, in order to make an informed decision that is in the best interests of the City
- ▶ A Pension Funding Policy should be adopted by City Council regardless of whether the UAL is restructured or not



Next Steps

- ▶ Staff / Council direction on whether concept should be evaluated further
 - ▶ If so, additional workshop(s) could be scheduled to provide additional information and answer questions
- ▶ If City wanted to proceed towards a UAL Restructuring, it would take about 3-4 months before being in position to execute a POB and lock interest rates
 - ▶ 2-3 months under a Lease Revenue Bond structure
 - ▶ Staff and NHA would continue the evaluation/education process and bring forth to Council more robust options and stress testing analysis during this timeframe
- ▶ City Council would still have to formally approve the financing strategy and additional financing documents for a final approval and execution of POB



Next Steps

- ▶ Council direction on whether to continue restructuring evaluation
 - ▶ Additional workshop(s) to provide additional information and answer questions?
 - ▶ Additional restructuring options presented to evaluate?
 - ▶ Funding amount, length of term, repayment design, specific plans targeted
 - ▶ Additional Stress Testing Analysis?
- ▶ If Council directs NHA to proceed with UAL restructuring, estimate 4-5 months (POB) before locking in interest rates; LRB would be ready about 2 months earlier
- ▶ City Council would be asked to approve final bond structure, as well as legal and disclosure documents over the course of 2-3 future meetings



APPENDIX A: PENSION OBLIGATION BOND (POB) vs. LEASE REVENUE BOND (LRB) COMPARISON

POB vs. LRB: Overview Comparison

POB

(most utilized method for UAL Restructure)

- Validation Required to confirm UAL as existing “debt” that can be refinanced
- Pros – Unsecured / No asset required, same rating as Issuer Credit Rating (1-notch higher than LRB); lower interest rate than LRB (likely 0.15% to 0.25% lower)
- Con – 3-4 month timeframe; potential legal challenges; limited direct placement investors; low chance of bond insurance

LRB

(less used, but increased activity recently)

- Recent Assets utilized (buildings, streets, parks; utility assets not advisable)
- Pro – no validation process required so about 2 months quicker process than POB; potentially more flexibility with use of proceeds (timing of deposits to CalPERS/115 Trust and options for upfront reimbursement); better chance at AA bond insurance if good asset is utilized
- Con – using up asset capacity, 1 notch lower rating; 0.15% to 0.25% higher interest rate (if no AA bond insurance)



POB vs. LRB – Considerations

- ▶ The Choice between POB or LRB largely falls on one's view of:
 - ▶ Future interest rates
 - ▶ Concerns about potential future legal challenges to a POB validation
 - ▶ Does LRB transaction provide enough savings and restructuring benefit now?
 - ▶ Market timing of investing funds with CalPERS
 - ▶ A significant downturn in CalPERS returns could warrant waiting to close financing—assuming interest rates remain stable—to mitigate a first-year negative impact from the bond issuance





AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: B
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SUBJECT:

Administration: Approval of the City of Hanford salary schedules, including amendments to job classifications or title changes made since July and the increase in minimum wage and authorization for City Administration to amend all other documents as may be necessary to implement the updates.

RECOMMENDATION:

That the City Council, by motion, approve the City's salary schedules, which include the job classifications or title changes made since July and reflect the increase in minimum wage and authorize administration to amend all other documents as may be necessary to implement the updates.

BACKGROUND:

Pursuant to the California Code of Regulations (CCR) 570.5, the California Public Employees' Retirement System (CalPERS) requires that a publicly available pay schedule be used to determine pay rates. Additionally, pay rates shall be limited to the amount listed on a pay schedule and must meet **all** of the following eight requirements:

1. Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws
2. Identify the position title for every employee position
3. Show the pay rate as a single amount or multiple amounts within a range for each identified position
4. Indicate the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually
5. Be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's website
6. Indicate an effective date and date of any revisions
7. Is retained by the employer and available for public inspection for not less than five years

8. Does not reference another document in lieu of disclosing the pay rate

In light of the minimal effort to bring the City's various bargaining group salary schedules into a single document for approval by the City Council, staff intends to continue to maintain a comprehensive salary schedule going forward which will be approved by the City Council on a frequent basis to include on-going updates to satisfy the requirements set forth by the California Code of Regulations (CCR) 570.5.

FISCAL IMPACT:

There are no new fiscal impacts that have not already been approved with the adoption of the 20/21 budget.

ATTACHMENTS:

COH FT Employee Salary Schedule 11-16-21

COH PT Employee Salary Schedule 11-16-21

COH Salary Schedule Description



City of Hanford Salary Schedule (Full-Time Employees)

Title	Range	Monthly Salary			Hourly Salary			Bargaining Group Designation	Overtime Designation	FLSA Designation
Accountant	1809	\$5,280	to	\$6,448	\$30.46	to	\$37.20	GEMA	1	E
Accounting Clerk	1313	\$3,216	to	\$3,928	\$18.55	to	\$22.66	SEIU	3	40
Accounting Technician	1465	\$3,744	to	\$4,572	\$21.60	to	\$26.38	GEMA	2	40
Administrative Analyst I	1715	\$4,807	to	\$5,870	\$27.73	to	\$33.87	GEMA	2	40
Administrative Analyst II	1820	\$5,339	to	\$6,520	\$30.80	to	\$37.61	GEMA	1	E
Administrative Assistant	1489	\$3,835	to	\$4,683	\$22.12	to	\$27.02	SEIU	3	40
Administrative Technician	1489	\$3,835	to	\$4,683	\$22.12	to	\$27.02	SEIU	3	40
Animal Control Technician	1384	\$3,453	to	\$4,217	\$19.92	to	\$24.33	SEIU	3	40
Assistant Engineer	1909	\$5,835	to	\$7,126	\$33.66	to	\$41.11	SEIU	3	40
Assistant Planner	1755	\$5,003	to	\$6,110	\$28.86	to	\$35.25	SEIU	3	40
Associate Civil Engineer	2024	\$6,546	to	\$7,994	\$37.77	to	\$46.12	GEMA	1	E
Associate Planner	1860	\$5,557	to	\$6,786	\$32.06	to	\$39.15	SEIU	3	40
Building Inspector I	1617	\$4,358	to	\$5,322	\$25.14	to	\$30.71	SEIU	3	40
Building Inspector II	1722	\$4,841	to	\$5,911	\$27.93	to	\$34.10	SEIU	3	40
Building Official	2183	\$7,674	to	\$9,371	\$44.27	to	\$54.06	GEMA	1	E
Building Superintendent	1949	\$6,073	to	\$7,417	\$35.04	to	\$42.79	GEMA	1	E
City Clerk	2002	\$6,404	to	\$7,820	\$36.95	to	\$45.12	GEMA	1	E
City Engineer	2351	\$9,077	to	\$11,085	\$52.37	to	\$63.95	GEMA	1	E
City Manager	2790	\$14,077	to	\$17,190	\$81.20	to	\$99.18	Unrep	1	E
Code Compliance Officer	1597	\$4,272	to	\$5,217	\$24.65	to	\$30.10	SEIU	3	40
Communications Dispatch Supervisor	1643	\$4,473	to	\$5,463	\$25.81	to	\$31.51	SEIU	3	40
Communications Dispatcher	1503	\$3,889	to	\$4,749	\$22.44	to	\$27.40	SEIU	3	40

Title	Range	Monthly Salary			Hourly Salary			Bargaining Group Designation	Overtime Designation	FLSA Designation
Community Development Director	2500	\$10,534	to	\$12,865	\$60.77	to	\$74.22	EMEA	1	E
Community Enhancement Officer	1299	\$3,172	to	\$3,873	\$18.30	to	\$22.34	SEIU	3	40
Computer Technician	1501	\$3,881	to	\$4,740	\$22.39	to	\$27.34	SEIU	3	40
Construction Coordinator/Inspector	1811	\$5,291	to	\$6,461	\$30.52	to	\$37.28	SEIU	3	40
Construction Inspector I	1610	\$4,328	to	\$5,285	\$24.97	to	\$30.49	SEIU	3	40
Construction Inspector II	1715	\$4,807	to	\$5,870	\$27.73	to	\$33.87	SEIU	3	40
Custodian	1164	\$2,771	to	\$3,384	\$15.99	to	\$19.52	SEIU	3	40
Deputy Public Works Director	2371	\$9,260	to	\$11,308	\$53.42	to	\$65.24	GEMA	1	E
Development Services Assistant	1313	\$3,216	to	\$3,928	\$18.55	to	\$22.66	SEIU	3	40
Development Services Technician	1527	\$3,983	to	\$4,865	\$22.98	to	\$28.06	SEIU	3	40
Engineering Manager	2291	\$8,549	to	\$10,439	\$49.32	to	\$60.23	GEMA	1	E
Engineering Technician I	1565	\$4,138	to	\$5,053	\$23.87	to	\$29.15	SEIU	3	40
Engineering Technician II	1670	\$4,595	to	\$5,612	\$26.51	to	\$32.38	SEIU	3	40
Facilities Maintenance Technician I	1304	\$3,188	to	\$3,893	\$18.39	to	\$22.46	SEIU	3	40
Facilities Maintenance Technician II	1399	\$3,505	to	\$4,280	\$20.22	to	\$24.69	SEIU	3	40
Finance Director	2538	\$10,942	to	\$13,363	\$63.12	to	\$77.09	EMEA	1	E
Finance Manager	2234	\$8,075	to	\$9,861	\$46.59	to	\$56.89	GEMA	1	E
Financial Analyst	1916	\$5,876	to	\$7,176	\$33.90	to	\$41.40	GEMA	1	E
Fire Battalion Chief	2258	\$8,271	to	\$10,101	\$47.72	to	\$58.27	IAFF	1	E
Fire Captain*	1589	\$5,933	to	\$7,246	\$24.45	to	\$29.86	IAFF	4	24
Fire Chief	2499	\$10,524	to	\$12,852	\$60.71	to	\$74.14	EMEA	1	E
Fire Engineer*	1426	\$5,040	to	\$6,156	\$20.77	to	\$25.37	IAFF	4	24
Fire Marshal	1940	\$6,019	to	\$7,350	\$34.73	to	\$42.41	GEMA	1	E
Fire Prevention Coordinator	1597	\$4,272	to	\$5,217	\$24.65	to	\$30.10	SEIU	3	40
Firefighter*	1376	\$4,800	to	\$5,863	\$19.78	to	\$24.16	IAFF	4	24
Fleet Mechanic I	1382	\$3,446	to	\$4,208	\$19.88	to	\$24.28	SEIU	3	40
Fleet Mechanic II	1487	\$3,827	to	\$4,674	\$22.08	to	\$26.96	SEIU	3	40

Title	Range	Monthly Salary			Hourly Salary			Bargaining Group Designation	Overtime Designation	FLSA Designation
Fleet Superintendent	1949	\$6,073	to	\$7,417	\$35.04	to	\$42.79	GEMA	1	E
Fleet Supervisor	1668	\$4,586	to	\$5,601	\$26.46	to	\$32.31	GEMA	2	40
Heavy Equipment Operator	1451	\$3,692	to	\$4,509	\$21.30	to	\$26.01	SEIU	3	40
Housing Analyst	1820	\$5,339	to	\$6,520	\$30.80	to	\$37.61	GEMA	1	E
Human Resources Analyst	1831	\$5,398	to	\$6,592	\$31.14	to	\$38.03	GEMA	1	E
Human Resources Manager	2402	\$9,552	to	\$11,664	\$55.10	to	\$67.29	Unrep	1	E
Human Resources Technician	1647	\$4,491	to	\$5,484	\$25.91	to	\$31.64	GEMA	2	40
Information Technology Manager	2172	\$7,590	to	\$9,269	\$43.79	to	\$53.47	GEMA	1	E
Landscape Services Technician	1499	\$3,873	to	\$4,730	\$22.35	to	\$27.29	SEIU	3	40
Maintenance Worker I	1299	\$3,172	to	\$3,873	\$18.30	to	\$22.34	SEIU	3	40
Maintenance Worker II	1404	\$3,523	to	\$4,302	\$20.32	to	\$24.82	SEIU	3	40
Meter Reader	1299	\$3,172	to	\$3,873	\$18.30	to	\$22.34	SEIU	3	40
Office Assistant I	1208	\$2,896	to	\$3,536	\$16.71	to	\$20.44	SEIU	3	40
Office Assistant II	1313	\$3,216	to	\$3,928	\$18.55	to	\$22.66	SEIU	3	40
Parking Control Officer	1302	\$3,181	to	\$3,885	\$18.35	to	\$22.41	SEIU	3	40
Parks & Community Services Director	2402	\$9,552	to	\$11,664	\$55.10	to	\$67.29	EMEA	1	E
Parks and Facilities Manager	2078	\$6,909	to	\$8,438	\$39.86	to	\$48.68	GEMA	1	E
Parks Supervisor	1668	\$4,586	to	\$5,601	\$26.46	to	\$32.31	GEMA	2	40
Payroll Specialist	1561	\$4,121	to	\$5,033	\$23.77	to	\$29.03	GEMA	2	40
Plans Examiner	1838	\$5,436	to	\$6,638	\$31.36	to	\$38.30	GEMA	1	E
Police Cadet	1311	\$3,210	to	\$3,920	\$18.52	to	\$22.61	HPOA	3	40
Police Captain	2345	\$9,023	to	\$11,018	\$52.05	to	\$63.57	HPOA	1	E
Police Chief	2565	\$11,242	to	\$13,728	\$64.85	to	\$79.20	EMEA	1	E
Police Corporal	1912	\$5,853	to	\$7,148	\$33.77	to	\$41.24	HPOA	4	14
Police Lieutenant	2218	\$7,947	to	\$9,705	\$45.85	to	\$55.99	HPOA	1	E
Police Officer	1817	\$5,323	to	\$6,500	\$30.71	to	\$37.50	HPOA	4	14
Police Records Assistant	1345	\$3,321	to	\$4,055	\$19.16	to	\$23.40	SEIU	3	40

Title	Range	Monthly Salary			Hourly Salary			Bargaining Group Designation	Overtime Designation	FLSA Designation
Police Sergeant	2058	\$6,773	to	\$8,271	\$39.07	to	\$47.76	HPOA	4	14
Police Service Technician	1379	\$3,436	to	\$4,196	\$19.82	to	\$24.20	SEIU	3	40
Police Support Services Administrator	1826	\$5,371	to	\$6,559	\$30.98	to	\$37.84	GEMA	1	E
Principal Planner	2140	\$7,351	to	\$8,977	\$42.41	to	\$51.79	GEMA	1	E
Project Manager	2050	\$6,719	to	\$8,205	\$38.76	to	\$47.33	GEMA	1	E
Property and Evidence Technician	1461	\$3,729	to	\$4,554	\$21.51	to	\$26.27	SEIU	3	40
Public Works Director	2628	\$11,972	to	\$14,620	\$69.06	to	\$84.35	EMEA	1	E
Purchasing Agent	1916	\$5,876	to	\$7,176	\$33.90	to	\$41.40	GEMA	1	E
Recreation Coordinator	1506	\$3,901	to	\$4,763	\$22.50	to	\$27.48	SEIU	3	40
Recreation Supervisor	1690	\$4,688	to	\$5,725	\$27.05	to	\$33.03	GEMA	2	40
Recycling Coordinator	1628	\$4,407	to	\$5,381	\$25.42	to	\$31.05	GEMA	2	40
Refuse Collector	1369	\$3,402	to	\$4,154	\$19.62	to	\$23.96	SEIU	3	40
Refuse Service Worker	1465	\$3,744	to	\$4,572	\$21.60	to	\$26.38	SEIU	3	40
Refuse Manager	2078	\$6,909	to	\$8,438	\$39.86	to	\$48.68	GEMA	1	E
Refuse Supervisor	1818	\$5,328	to	\$6,507	\$30.74	to	\$37.54	GEMA	1	E
Regulatory Compliance Analyst	1628	\$4,407	to	\$5,381	\$25.42	to	\$31.05	GEMA	2	40
Risk Management Analyst	1831	\$5,398	to	\$6,592	\$31.14	to	\$38.03	GEMA	1	E
Sanitary Sewer Collection Supervisor	1818	\$5,328	to	\$6,507	\$30.74	to	\$37.54	GEMA	1	E
Senior Administrative Analyst	1916	\$5,876	to	\$7,176	\$33.90	to	\$41.40	GEMA	1	E
Senior Civil Engineer	2101	\$7,070	to	\$8,634	\$40.79	to	\$49.81	GEMA	1	E
Senior Custodian	1260	\$3,050	to	\$3,725	\$17.60	to	\$21.49	SEIU	3	40
Senior Fleet Mechanic	1582	\$4,209	to	\$5,139	\$24.28	to	\$29.65	SEIU	3	40
Senior Maintenance Worker	1499	\$3,873	to	\$4,730	\$22.35	to	\$27.29	SEIU	3	40
Senior Planner	2000	\$6,391	to	\$7,805	\$36.87	to	\$45.03	GEMA	1	E
Senior Plans Examiner	2000	\$6,391	to	\$7,805	\$36.87	to	\$45.03	GEMA	1	E
Senior Police Records Assistant	1440	\$3,652	to	\$4,459	\$21.07	to	\$25.73	SEIU	3	40
Senior Refuse Collector	1618	\$4,363	to	\$5,328	\$25.17	to	\$30.74	SEIU	3	40

Title	Range	Monthly Salary			Hourly Salary			Bargaining Group Designation	Overtime Designation	FLSA Designation
Senior Utilities Maintenance Worker	1595	\$4,264	to	\$5,207	\$24.60	to	\$30.04	SEIU	3	40
Shop and Parts Specialist	1487	\$3,827	to	\$4,674	\$22.08	to	\$26.96	SEIU	3	40
Streets Manager	2078	\$6,909	to	\$8,438	\$39.86	to	\$48.68	GEMA	1	E
Streets Supervisor	1818	\$5,328	to	\$6,507	\$30.74	to	\$37.54	GEMA	1	E
Sweeper Operator	1387	\$3,463	to	\$4,229	\$19.98	to	\$24.40	SEIU	3	40
Traffic Control Technician	1678	\$4,632	to	\$5,657	\$26.73	to	\$32.64	SEIU	3	40
Utilities Maintenance Worker I	1394	\$3,488	to	\$4,259	\$20.12	to	\$24.57	SEIU	3	40
Utilities Maintenance Worker II	1499	\$3,873	to	\$4,730	\$22.35	to	\$27.29	SEIU	3	40
Utilities Manager	2078	\$6,909	to	\$8,438	\$39.86	to	\$48.68	GEMA	1	E
Utilities Supervisor	1818	\$5,328	to	\$6,507	\$30.74	to	\$37.54	GEMA	1	E
Utility Billing Specialist	1561	\$4,121	to	\$5,033	\$23.77	to	\$29.03	GEMA	2	40
Water Conservation Technician	1501	\$3,881	to	\$4,740	\$22.39	to	\$27.34	SEIU	3	40
WWTP Operator I	1445	\$3,670	to	\$4,482	\$21.17	to	\$25.86	SEIU	3	40
WWTP Operator II	1551	\$4,080	to	\$4,983	\$23.54	to	\$28.75	SEIU	3	40
WWTP Manager	2078	\$6,909	to	\$8,438	\$39.86	to	\$48.68	GEMA	1	E
WWTP Supervisor	1818	\$5,328	to	\$6,507	\$30.74	to	\$37.54	GEMA	1	E
WWTP/OIT	1340	\$3,304	to	\$4,035	\$19.06	to	\$23.28	SEIU	3	40

Approved by City Council on November 16, 2021

The information above notes monthly base salary and does not include any special pays. For more information pertaining to additional compensation options, please refer to the individual MOU's located on the City's website.

* Monthly salary based on working 2,912 hours per year



City of Hanford Salary Schedule (Part-Time Employees)

Title	Hourly Rate			Bargaining Group Designation	Overtime Designation	FLSA Designation
Airport Manager	\$17.00	to	\$20.00	NA	3	40
Certified Instructor	\$15.00	to	\$21.00	NA	3	40
Clerical Support	\$15.00	to	\$17.00	NA	3	40
Code Enforcement Officer	\$15.00	to	\$17.00	NA	3	40
Community Service Officer	\$15.00	to	\$17.00	NA	3	40
Custodian	\$15.00	to	\$17.00	NA	3	40
Engineering Technician Aide	\$15.00	to	\$17.00	NA	3	40
Facilities Host	\$15.00	to	\$17.00	NA	3	40
Fire Inspector	\$25.00	to	\$25.00	NA	3	40
Fleet Mechanic (Helper)	\$15.00	to	\$23.00	NA	3	40
Graffiti Control Officer	\$15.00	to	\$17.00	NA	3	40
Intern	\$15.00	to	\$17.00	NA	3	40
Management Intern	\$15.00	to	\$20.00	NA	3	40
Meter Reader	\$15.00	to	\$17.00	NA	3	40
Paint Program Coordinator	\$15.00	to	\$17.00	NA	3	40
Paint Program Crew Leader	\$15.00	to	\$17.00	NA	3	40
Parking Control Officer	\$15.00	to	\$17.00	NA	3	40
Pool Manager	\$16.00	to	\$18.00	NA	3	40
Parks/Public Works Laborer	\$15.00	to	\$17.00	NA	3	40
Recreation Leader I	\$15.00	to	\$16.00	NA	3	40
Recreation Leader II	\$15.50	to	\$16.50	NA	3	40
Recreation Leader III	\$16.00	to	\$17.00	NA	3	40
Refuse Collector	\$15.00	to	\$18.50	NA	3	40
Reserve Police Officer (Level I)	\$21.74	to	\$25.90	NA	3	40
Sports Coordinator	\$21.50	to	\$21.50	NA	3	40
Sports Official	\$15.00	to	\$21.00	NA	3	40

Rates listed above go into effect December 27, 2021 (approved by City Council on November 16, 2021)

All positions, to which appointments are made for part-time work, as outlined in the Hanford Merit Personnel System Rules and Regulations, may be paid at an hourly rate as high as Step "C/3" of the range to which the position has been allocated. Part-time appointments made at higher than Step "C/3" must be approved by the City Manager. If a part-time employee works more than 1,000 hours in a fiscal year he/she must become a member of CalPERS with the employee and the City making the appropriate contribution as defined by the City's CalPERS contract. The employee will remain a CalPERS member until termination.

Bargaining Group Designation

Executive Management Employees Association
 General Employees Management Association
 International Association of Firefighters
 Hanford Police Officers Association
 Service Employees International Union Local 521
 Unrepresented
 Not Applicable

EMEA
GEMA
IAFF
HPOA
SEIU
Unrep
NA

Overtime Designation

Management Employee
 Confidential/Other Employee
 General Employee
 Fire/Police Employee

1. No compensation for overtime work
2. Shall be paid for overtime work
3. Shall be paid for overtime work
4. Shall be paid for overtime work

FLSA Designation

E - Exempt
 40 - 40 hour, 7 day work period (non-exempt)
 14 - 86 hour/14 day work period (7k exemption)
 24 -182 hour/24 day work period (7k exemption)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: C
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SUBJECT:

Administration: Approval of an Amendment to the Memorandum of Understanding (MOU) with the County of Kings, for the annexation of eight (8) islands that are fully surrounded by the City of Hanford, to amend the date of the transition of Law Enforcement coverage to become effective on July 1, 2023

RECOMMENDATION:

That the City Council, by motion, Approve the Amendment to the Memorandum of Understanding (MOU) with the County of Kings, for the annexation of eight (8) islands that are fully surrounded by the City of Hanford, to amend the date of the transition of Law Enforcement coverage to become effective on July 1, 2023

BACKGROUND:

On July 2, 2019, Council directed staff to finalize negotiations with Kings County for the annexation of eight (8) county islands fully surrounded by the City. On September 17, 2019, Council approved the MOU and the execution of that document. The deal points of that MOU are as follows:

1. County will allocate \$125,000 per year (for a total of \$250,000) from the Kings County Association of Governments allocations for deferred road maintenance on the proposed islands.
2. *County will continue to provide Sheriff service to the county islands for two (2) years after the annexation is complete or three (3) years from the date of execution of the MOU.*
3. City will pay for and process the annexations through LAFCO within one year from execution of the MOU.
4. The City will begin collection of property taxes from the annexed islands upon completion of the annexation. (Approximately \$200,000 per year)
5. *If the completion of the annexation is delayed by factors outside the City's control, the one-year term will be extended by the corresponding number of days that the City has*

been delayed in completing the annexation.

This amendment addresses an issue that pertains to points 2 and 5 above. Had the City been able to complete the annexation in a timely manner, the date of law enforcement transition would have been two (2) years after the completion of the process. However, due to delays on the part of the City initiating the annexations and then the inability to hold the required community meeting, due to COVID restrictions, we are now two (2) years into the MOU period and just now completing the annexation process. Those delays triggered the second part of Item #2 above, which requires the transition to occur three (3) years after the execution of the MOU. Pursuant to that clause, the City should take over Law Enforcement duties within those islands effective September 24, 2022, which would be less than a year after the annexations are complete.

To provide the City with an appropriate amount of time to prepare for the transition and to allow the City to begin to collect property taxes to help offset the cost of the coverage, City staff has asked the County to extend the date of transition. Staff was able to negotiate with the Sheriff's department and the County to reach a compromise and extend the date of transfer to July 1, 2023, which is the beginning of our Fiscal Year. Before that date, staff will bring back a plan for Council consideration of how law enforcement services will be provided.

FISCAL IMPACT:

This amendment will have no financial impact on the current FY budget. The City will need to determine the most cost efficient method to provide services to those islands as of July 1, 2023.

ATTACHMENTS:

DRAFT_AnnexationMOU_Ammendment_I_2021_b

19-093

19-093 ai

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF KINGS AND ***THE CITY OF HANFORD CONCERNING
THE ANNEXATION OF EIGHT COUNTY ISLANDS WITHIN THE CITY OF
HANFORD**

This first amendment to that Memorandum of Understanding (“MOU”) that commenced on _____, September 24, 2020~~19~~, (“Amendment I”) is made on the _____ day of November 2020~~1~~, by and between the County of Kings, a political subdivision of the State of California (“County”), and the City of Hanford, a municipal corporation (“City”), (collectively the “Parties”) upon the following terms and conditions:

RECITALS

WHEREAS, the County and City entered into that MOU commencing September, 24, 2019, for concerning the annexation of eight County ilands surrounded by within the City of Hanford;

WHEREAS, as set forth in Section 9, the parties may modify the MOU by a written, executed document agreement signed by both Parties; and

WHEREAS, the Pparties intend to modify this MOU to extend the the provisions for time police services will be provided to the County Islands by the Kings County Sheriff’s Office.

NOW, THEREFORE, the parties agree as follows:

1. Section _____ 5 shall be amended as follows with all prior language stricken in its entirety:

The County Sheriff’s Office will provide police services to the County Islands through June 30, 2023, after which time, the City will be responsible for providing such services in perpetuity.

2. The recitals are an integral part of this Amendment and are incorporated herein.
3. All other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment I to MOU to be executed on the day and year as provided above.

COUNTY OF KINGS

CITY OF HANFORD

Craig Pedersen, Chairman
Kings County Board of Supervisors
APPROVED AS TO FORM:

Francisco Ramirez, Mayor
Hanford City Council
APPROVED AS TO FORM:

Diane Freeman, Interim County Counsel

ATTEST

Ty Mizote, Assistant City Attorney

ATTEST

Catherine Venturella
Clerk to the Board of Supervisor
County

Sarah Martinez
City Clerk
Contractor

By: _____

By: _____

RECOMMENDED:

By: _____

APPROVED AS TO FORM:
Lee Burdick, County Counsel

By: _____

KINGS COUNTY ORIGINAL

Return to Board of Supervisors
Kings County Government Center
Hanford, CA 93230

MEMORANDUM OF UNDERSTANDING**Annexation of Eight County Islands within the City of Hanford**

This Memorandum of Understanding ("MOU") by and between the County of Kings, a political subdivision of the State of California (the "County"), and the City of Hanford, a municipal corporation (the "City"), (collectively the "Parties"), provides as follows:

WHEREAS, there are eight (8) unincorporated territories located wholly within the City ("County Islands") that are more particularly described in the attached Exhibit, which is incorporated herein by reference;

WHEREAS, the County must currently maintain and provide services to the County Islands;

WHEREAS, the County's provision of services to the County Islands creates operational inefficiencies, including, but not limited to, inefficiencies where the City and the County provide the same service to different portions of the same neighborhood within each jurisdiction and crisscrossing the other's territory as it provides said services;

WHEREAS, confusion is generated among some residents as to which jurisdiction is responsible for addressing problems and concerns, or who they should approach to obtain assistance;

WHEREAS, the City is willing to annex the County Islands to improve services and provide better responsiveness to residents about concerns within their affected neighborhoods;

WHEREAS, upon annexation of the County Islands, the County will allocate revenues to the City according to the Master Tax Sharing Agreement as previously negotiated between the Parties;

WHEREAS, the City and the County each have unique concerns about the financial implications of the City's annexation of the County Islands, including the transfer of tax revenues and the cost of new services to be provided by the City;

WHEREAS, the City and the County have agreed to certain terms that will provide a vehicle for addressing a portion of the new costs that will be incurred by the City as a result of the annexation of the County Islands;

WHEREAS, this MOU will provide a clear path for the City to initiate and complete annexation of the County Islands; and

WHEREAS, the City and the County desire to memorialize these terms by executing an MOU.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. The recitals set forth above are hereby incorporated into this MOU by this reference.

Kings County Agreement No. 19-093

Attachment: 19-093 (Admin: Approval of Amendment to MOU with County for Island Annexation)

2. The City will initiate the process to annex the County Islands upon execution of this MOU.

3. The City will utilize a good faith effort to complete the annexation of the County Islands within one (1) year of MOU execution.

4. The County will request that the Kings County Association of Governments ("KCAG") annually allocate one hundred twenty-five thousand dollars (\$125,000) ("Annual Payment") in regional transportation funding, which would normally be transferred to County, to the City for a period of two (2) years. The total cumulative amount allocated to the City shall not exceed two hundred fifty thousand dollars (\$250,000) ("Total Financial Obligation"). The City shall use the Annual Payments, if so allocated by KCAG, for road maintenance costs within the County Islands. The first payment year shall commence upon completion of the annexation of the County Islands. If the amount available through KCAG for an Annual Payment is less than the Annual Payment in any year, County shall continue to annually request the transfer of the maximum regional transportation funding available to the County from KCAG to the City ("Additional Annual Payment") until the Total Financial Obligation has been satisfied. No other source of funding besides the indicated regional transportation funding, including, but not limited to, the County's General Fund, shall be required for any Annual Payment or any Additional Annual Payment.

5. The County Sheriff's Office ("CSO") will provide police services to the County Islands for a two- (2-) year period beginning on the date of annexation of the County Islands, after which time, the City will be responsible for providing such services in perpetuity. The County will provide such services for a period of two (2) years from the date of annexation of the County Islands or three (3) years from the date of the execution of this MOU, whichever is sooner. Notwithstanding the preceding sentence, should the City, through no fault of its own, fail to complete the annexation process for one (1) or more of the individual County Islands within one (1) year of the MOU execution, the termination date of CSO police services to any remaining County Island(s) yet to be annexed shall be extended by the corresponding number of days that the City has been delayed in completing the annexation.

6. This MOU does not amend that agreement for automatic mutual aid for fire services executed by the City and the County, which was effective on December 22, 2015 ("Auto Aid Agreement"). The terms of the Auto Aid Agreement shall remain in full force and effect, and it is the Parties' intent that the terms of that Auto Aid Agreement shall apply to the County Islands after their annexation by the City.

7. The County and the City are the only parties to this MOU and are the only parties entitled to enforce its terms. Nothing in this MOU bestows, is intended to bestow, or shall be construed to bestow any right or benefit, whether directly, indirectly, or otherwise, to any third persons.

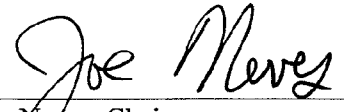
8. If an action at law or in equity is necessary to enforce or interpret the terms of this MOU, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which it may be entitled.

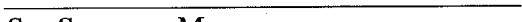
9. Amendments to this MOU shall be effective only if they are in writing and signed by both Parties.

The undersigned representatives, by executing this MOU, covenant that they are authorized to execute this agreement on behalf of their respective public entities.

COUNTY OF KINGS

CITY OF HANFORD

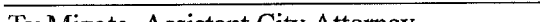

 Joe Neves, Chairman
 Kings County Board of Supervisors


 Sue Sorensen, Mayor
 Hanford City Council

APPROVED AS TO FORM:

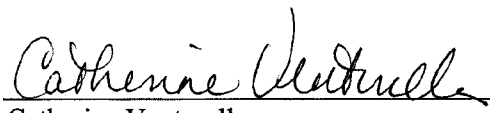
APPROVED AS TO FORM:

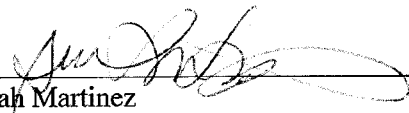

 Lee Burdick, County Counsel


 Ty Mizote, Assistant City Attorney

ATTEST

ATTEST


 Catherine Venturella
 Clerk to the Board of Supervisor


 Sarah Martinez
 City Clerk

9. Amendments to this MOU shall be effective only if they are in writing and signed by both Parties.

The undersigned representatives, by executing this MOU, covenant that they are authorized to execute this agreement on behalf of their respective public entities.

COUNTY OF KINGS

CITY OF HANFORD

Joe Neves, Chairman
Kings County Board of Supervisors

Sue Sorensen, Mayor
Hanford City Council

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Lee Burdick, County Counsel

Ty Mizote, Assistant City Attorney

ATTEST

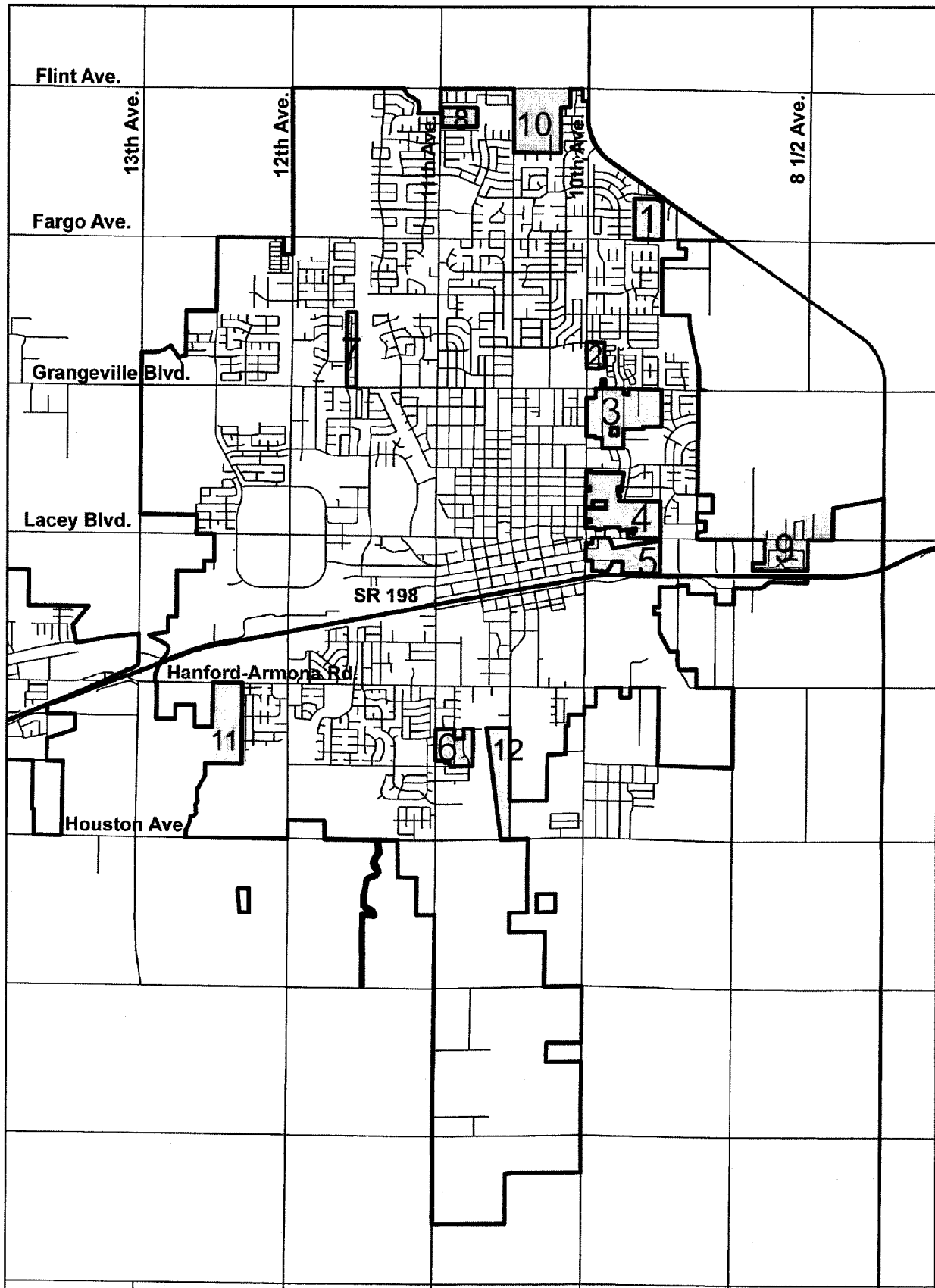
ATTEST

Catherine Venturella
Clerk to the Board of Supervisor

Sarah Martinez
City Clerk

ISLAND STUDY - 2016 UPDATE

HANFORD



Attachment: 19-093 (Admin: Approval of Amendment to MOU with County for Island Annexation)



COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362
Catherine Venturella, Clerk of the Board of Supervisors

AGENDA ITEM September 24, 2019

Bookmark: 10

SUBMITTED BY: Administration – Rebecca Campbell/Roger Bradley

SUBJECT: MEMORANDUM OF UNDERSTANDING WITH THE CITY OF HANFORD
FOR THE ANNEXATION OF COUNTY ISLANDS SURROUNDED BY THE
CITY

SUMMARY:

Overview:

County and City of Hanford staff have been working together over the past several months to establish considerations for the annexation of county islands within the City. A negotiated Memorandum of Understanding (MOU) with the City is ready for the Board's consideration and proposed execution.

Recommendation:

Authorize the Chairman to sign the Memorandum of Understanding with the City of Hanford to provide for the annexation of eight county islands surrounded by the City.

Fiscal Impact:

The City annexation of the eight County Island areas will result in a loss of County property tax revenue in the amount of \$130,310. The County will also lose Vehicle License Fee revenue, which will be a reduction of \$115,380. The County will also lose property tax exemption reimbursements from the State at an amount of \$36,470, for a total estimated annual revenue reduction of \$282,160. Not all of the revenue lost to the County will be picked up by the City. Additionally, this includes an allocation of \$250,000 from the County's transportation revenues to assist the City with help with deferred maintenance costs. The City of Hanford is estimated to gain \$203,553 in new annual revenue from the annexation. Hanford estimates its cost to provide services over the next ten years at nearly \$5 million. Total available revenue to Hanford will be \$2.3 million over that timeframe. The continued service of the Sheriff's Office to the County Islands for two years will save the City nearly \$400,000. There are no anticipated cost savings for County staff as a result of the annexation. The annexation will not significantly reduce staff workload enough to justify staff reductions. However, greater efficiencies will be gained as staff time spent in these island areas will now be able to be allocated to other areas of the County.

(Cont'd)

BOARD ACTION:

APPROVED AS RECOMMENDED: ☒ OTHER: ☐

ROLL CALL: VERBOON, FAGUNDES, VALLE, PEDERSEN, NEVES - AYE

[Reference: See Agreement No. 19-093, which by reference hereto, is made part of these minutes.]

I hereby certify that the above order was passed and adopted
on 9/24/2019.

CATHERINE VENTURELLA, Clerk to the Board

By _____, Deputy.

Attachment: 19-093 ai (Admin: Approval of Amendment to MOU with County for Island Annexation)

Agenda Item

MEMORANDUM OF UNDERSTANDING WITH THE CITY OF HANFORD FOR THE ANNEXATION OF COUNTY ISLANDS SURROUNDED BY THE CITY

September 24, 2019

Page 2 of 2

BACKGROUND:

On July 16, 2019, your Board approved a set of deal points with the City of Hanford to provide for the annexation of eight County Islands that are located within the City. The deal points are as follows:

- City will annex county islands that are surrounded by the City of Hanford (areas 1-8 on the attached map to the MOU).
 - City will initiate the annexation process upon execution of the MOU with the County.
 - The annexation process will be complete within one-year of MOU execution.
- An allocation of \$125,000 per year in County road transportation funding will be made by the Kings County Association of Governments (KCAG) on behalf of the County. This will be allocated to the City of Hanford by KCAG for two years (total \$250,000) to pay for deferred road maintenance costs within the annexed areas.
- Sheriff's Office will provide police services to the eight Islands for a two year period, after which time, the City will provide these services in perpetuity.

These deal points have been included within the final negotiated MOU with edits to reflect the particular interests of the County and/or the City. The final changes include clarification that if the completion of the annexation is delayed by factors outside the City's control, the one-year term will be extended by the corresponding number of days that the City has been delayed in completing the annexation. Also, only KCAG transportation funding will be transferred to the City. If this funding for some reason is unavailable in a given year, the County will continue to transfer the KCAG money until the full \$250,000 is fulfilled. Clarity is also included that this MOU and the accompanying annexation is not meant to impact the mutual aid agreement for Fire Services that has been previously executed between the two jurisdictions.

The Hanford City Counsel has reviewed and approved the MOU at its meeting of September 17, 2019.

The MOU has been reviewed and approved as to form by County Counsel.

Attachment: 19-093 ai (Admin: Approval of Amendment to MOU with County for Island Annexation)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: D
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SUBJECT:

Administration: Approval of Amendment No 1 of the License Agreement between the Carnegie Museum of Kings County and the City of Hanford to extend the term of the agreement until December 31, 2022

RECOMMENDATION:

That the City Council, by motion, approve Amendment No 1 of the License Agreement between the Carnegie Museum of Kings County and the City of Hanford to extend the term of the agreement until December 31, 2022

BACKGROUND:

The Carnegie Museum of Kings County (CMKC) has occupied the City's Carnegie building since June of 2021 and have made significant improvements to the property and hosted several different exhibits. By all measures of success, CMKC has done a great job of developing their museum and building a reputation of offering items and exhibits that are of value to the citizens of Hanford. As the City continues to evaluate structural issues associated with the former library building located on the property and consider the possible sale of the property located at 109 E. Eighth Street, both parties agree that it is of mutual interest to extend the term of the current Agreement.

The major points of the current Agreement are as follows:

- **Term:** CMKC may occupy the property during the period June 15, 2021 through December 31, 2022.
- **License Fee:** CMKC will pay ten dollars (\$10.00) to the City for the right to occupy the property.
- **City Repair Responsibilities:** The City will address Fire Code issues associated with the

former library building and will replace the building's electrical panel. The City will also be responsible for maintaining electrical, air conditioning, and plumbing systems and the property's landscaping; provided however, the City's responsibilities will be limited to the electrical panel and Fire Code work plus up to five thousand dollars (\$5,000.00) in additional maintenance and repair work.

- ***Day-To-Day Maintenance:*** CMKC will be responsible for the day-to-day maintenance of the property, and CMKC will be allowed to paint the interior walls and ceilings of the former library building.

Should sales terms be successfully negotiated with CMKC, a Purchase & Sale Agreement will be prepared and will be submitted to the Council for review in the future.

FISCAL IMPACT:

ATTACHMENTS:

Lic Agreement Amendment No 1
Carnegie Agreement 2021

Amendment No. 1 to License Agreement

Licensors: City of Hanford, a municipal corporation
 Licensee: Carnegie Museum of Kings County, a California nonprofit corporation
 Property: 109 E. 8th Street, Hanford, California 93230 [APN 012-041-017-000]
 Date of License: June 1, 2021

Licensors and Licensee agree, and hereby do, amend the License Agreement as follows:

1. Paragraph 4 (Term): Is amended as follows: The Term is extended through December 31, 2022; and
2. All other terms and conditions remain unchanged and in full force and effect.

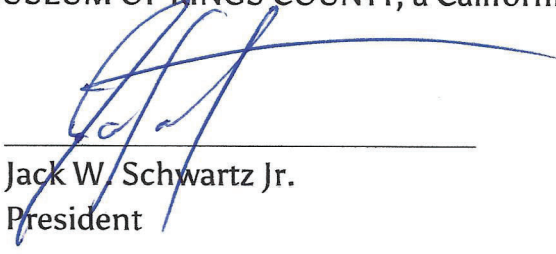
LICENSOR:

CITY OF HANFORD, a municipal corporation

By: _____
 Print name: Francisco Ramirez
 Its: Mayor

LICENSEE:

CARNEGIE MUSEUM OF KINGS COUNTY, a California nonprofit corporation

By: 
 Print name: Jack W. Schwartz Jr.
 Its: President

LICENSE AGREEMENT

This License Agreement ("*Agreement*") is entered into on 6/1/ 2021 ("*Effective Date*") by and between the City of Hanford, a municipal corporation ("*Licensor*") and the Carnegie Museum of Kings County, a California non-profit corporation ("*Licensee*"). Licensor and Licensee may hereafter be referred to collectively as the "*Parties*" or individually as "*Party*". For valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

1. Description of Property:

Licensor is the owner of certain real property and improvements known as 109 E. Eighth Street, City of Hanford, County of Kings, State of California 93230, APN 012-041-017-000 ("*Property*"). A legal description of the Property is attached hereto as Exhibit "A".

2. Grant of License:

Licensor grants to Licensee a license (hereafter the "*License*") to perform the following acts on the Property: The organization, operation and maintenance of a museum to curate and display materials and artifacts in which the people of Kings County may be interested for educational and cultural enhancement and activities necessary, incidental and/or helpful to the operation of the Property (for example, meetings of community organizations, fund-raising, operating a gift store or event rentals to individuals or groups). The Parties agree that Licensee will make expenditures and perform work to improve the existing conditions of the Property in reliance of this License. In no event shall Licensee utilize the Property (including event rentals) for political activities.

3. License Nonassignable:

This License is personal to the Licensee and shall not be assigned. Any attempt to assign the License shall automatically terminate it. No legal title or leasehold interest in the Property is created or vested in Licensee by the grant of this License.

4. Term:

The term of this License shall be from June 15, 2021 through December 31, 2021 ("*Term*"). Prior to July 1, 2021, Licensor shall take the steps necessary to ensure that the Property complies with applicable fire code requirements and replace, or correct the conditions of, the Carnegie library building's electrical panel(s) as specified in the Stan Vierra Electric report dated October 26, 2020.

5. Occupancy fee; Utilities:

Prior to occupancy, Licensee shall pay Licensor an occupancy fee of Ten and No/100 Dollars (\$10.00). Licensee shall reimburse Licensor's gas, electric, water, sewer, and refuse

collection bills during the Term. Licensor will invoice Licensee for such utility fees, with payment due thirty (30) calendar days from the date of each invoice.

6. Maintenance of Property:

(A) Licensor shall be responsible for maintaining in a safe and operable condition the electrical, HVAC, plumbing systems and landscaping at the Property; provided however, Licensor's responsibilities for maintenance, repairs, and improvements shall be limited to the electrical panel and fire code work described in Paragraph 4 plus up to FIVE THOUSAND DOLLARS (\$5,000.00) ("Licensor's Expenditure Limit") in additional maintenance, repair, and improvement work. Licensor's obligation to maintain, repair, and improve the Property shall cease once the electrical panel and fire code work are completed and the City's total expenditures for additional maintenance, repair, and improvement work reach the Licensor's Expenditure Limit.

(B) Licensee shall be responsible for the day-to-day maintenance of the Property. Licensee may paint the interior walls and ceilings of the Carnegie Library building in a color similar to the existing color(s). Licensee shall make no structural modifications to the Property without the prior written consent of Licensor.

(C) Except as otherwise provided herein, Licensee shall occupy the Property in an "AS-IS," "WHERE-IS" condition, and Licensor shall have no further obligation to repair or improve the Property.

7. Termination of Occupancy:

On or before December 31, 2021 Licensee shall remove all of Licensee's personal property from the Property and shall surrender possession of the Property to Licensor in good order and repair to the satisfaction of Licensor, normal wear and tear excepted.

8. Indemnity by Licensee:

(A) Licensee, as a material part of the consideration to be rendered to Licensor under this Agreement, waives all claims against Licensor for damages to all personal property in, on, or about the Property, and, to the extent of Licensee's insurance, for injuries to persons in or about the Property, from any cause arising during the Term. Further, Licensee agrees to the extent of Licensee's insurance, to indemnify, defend, and hold Licensor exempt and harmless for and on account of any damage or injury to any person or personal property of any person, arising from Licensee's use of the Property, (b) Licensee's failure to keep the Property and surrounding areas clean and in good condition, (c) Licensee's negligence and intentional misconduct occurring hereunder; and (d) the negligence and intentional misconduct of Licensee's guests and invitees while on or about the Property. Licensor shall not be liable to Licensee for any damage by or from any act or negligence of any other occupant of the Property or any occupant of adjoining or contiguous property. To the extent of Licensee's insurance, Licensee agrees to pay for all damages to the Property, as well as all damage to occupants of the Property and to the property of those occupants caused by the negligence or intentional misconduct of Licensee or Licensee's members, officers, directors, employees, contractors, and invitees.

(B) Notwithstanding the provisions of Paragraph 8(A) above, Licensee shall not defend or indemnify Licensor from claims arising out of conditions of the Property due in whole or in part to the Property's: (1) non-compliance with accessibility requirements of the Americans With Disabilities Act and any regulations promulgated thereunder ("ADA") and/or State of California laws or regulations or local ordinances whose subjects are similar to the requirements of ADA and (2) seismic structural deficiencies of Carnegie Library building.

9. Indemnity by Licensor:

Licensor, as a material part of the consideration to be rendered to Licensee under this Agreement, shall defend and indemnify Licensee from claims arising out of conditions of the Property associated with the Property's non-compliance with accessibility requirements of the Americans With Disabilities Act and any regulations promulgated thereunder ("ADA") and/or State of California laws or regulations or local ordinances whose subjects are similar to the requirements of ADA.

10. Insurance:

- A. Licensee will, during the term of this Agreement, maintain insurance coverage which shall be at least as broad as:
 - (1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 0001 1207 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than TWO MILLION AND NO/100 DOLLARS (\$2,000,000) per occurrence and FOUR MILLION (\$4,000,000) aggregate.
 - (2) Automobile Liability: If Licensee will utilize an automobile in exercising its rights hereunder, Licensee shall maintain automobile liability insurance written on ISO Form Number CA 00 01 covering any auto (Code 1), or if Licensee has no owned autos, hired (Code 8), and non-owned autos (Code 9), with a limit no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per accident for bodily injury and property damage.
 - (3) Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per accident for bodily injury or disease.
 - (4) Personal Property Coverage: Licensee shall maintain, at Licensee's sole cost, insurance coverage on Licensee's personal property and improvements at their full replacement cost. Licensor will not be responsible for insuring Licensee's personal property or improvements.

If Licensee maintains higher limits than the minimums shown above, Licensor requires and shall be entitled to coverage for the higher limits maintained by Licensee.

- B. Licensee's deductible amounts must be approved by Licensor.
- C. Licensee's insurance policies are to contain, or be endorsed to contain, the following provisions:
 - (1) Licensor and its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy. General liability coverage can be provided in the form of an endorsement to Licensee's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used. The coverage shall contain no special limitations on the scope of protection afforded to Licensor and its officers, officials, employees, or volunteers.
 - (2) For any claims related to this Agreement, Licensee's insurance coverage shall be the primary insurance as to Licensor and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by Licensor and/or its officers, officials, employees, or volunteers shall be in excess of Licensee's insurance and shall be non-contributory.
 - (3) Each insurance policy required above shall provide that coverage shall not be canceled or modified, except with written notice to Licensor.
- D. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.
- E. Licensee shall furnish Licensor with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates and endorsements are to be received and approved by Licensor before Licensee enters the Property. However, failure to obtain the required documents prior to Licensee entering the Property shall not waive Licensee's obligation to provide them. Licensor reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- F. Licensee hereby grants to Licensor and its officers, officials, employees, and volunteers a waiver of any right to subrogation which any insurer of Licensee may acquire against Licensor and/or its officers, officials, employees, and volunteers by virtue of the payment of any loss under such insurance. Licensee agrees to obtain endorsements necessary to effect this waiver of subrogation, but this

provision applies regardless of whether Licensor receives a waiver of subrogation endorsement from the insurer.

11. Entire Agreement:

This Agreement constitutes the entire agreement between Licensor and Licensee relating to the License. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by Licensor and Licensee.

12. Mediation:

In the event of a dispute between the Parties arising out of this Agreement, the Parties agree to mediate the dispute before resorting to any other dispute resolution proceeding. The mediation shall be conducted by a neutral third party mediator with at least five (5) years' experience in mediating real estate disputes. The Parties shall endeavor to jointly select a qualified mediator. If the Parties are unable to agree upon a mediator, the Parties will jointly create a list of five (5) qualified mediators; each Party shall have the option to strike two (2) of the five (5) mediators, and, thereafter, the remaining mediator shall hear the dispute. The Parties shall share the costs and expenses of such mediation on a 50/50 basis. Should a Party, within five (5) business days of receiving a written demand to mediate, which demand shall state the nature of the dispute to be mediated, not agree to mediate the dispute, such Party shall not be entitled to recover of costs, expenses and/or attorneys' fees in any later dispute resolution proceeding between the Parties.

12. Attorneys' Fees:

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which it may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior Court for the County of Kings, State of California, for any proceeding arising hereunder.

13. Amendment:

No change, amendment or modification of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

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Executed on June 3, 2021 [date].

LICENSOR

CITY OF HANFORD, a municipal corporation

By:

Print Name: FRANCISCO RAMIREZ

Its: Mayor

LICENSEE

CARNEGIE MUSEUM OF KINGS COUNTY

By:

Print Name: JACK SCHWARTZ

Its: PRESIDENT

Attachment: Carnegie Agreement 2021 (Admin: License Amendment with CMKC)

EXHIBIT "A"**Legal Description**

The land referred to herein is situated in the City of Hanford, County of Kings, State of California, more particularly described as follows:

Lots 26, 27, 28, and 29 in Block 134 of the City of Hanford, in the City of Hanford, County of Kings, State of California, according [to] the Map thereof recorded in Book 1 at Page 35 of Maps, Tulare County Records.

EXCEPTING THEREFROM the Northerly 16.50 feet of the Southerly 44.10 feet of the Westerly 8.50 feet and the Westerly 15.65 feet of the Southerly 27.60 feet of the aforesaid Lot 29.



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: E
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SUBJECT:

Administration: Approval of the Sale of one (1) parcel on Idlewood Way to Habitat for Humanity of Tulare/Kings Counties, Inc.

RECOMMENDATION:

It is recommended that the Council, by motion, approve the Purchase and Sale Agreement and related Development Covenant documents for the sale of one (1) parcel on Idlewood Way to Habitat for Humanity of Tulare/Kings Counties, Inc.

Recommended Motion #1: I move to approve and authorize the Mayor to sign the Purchase and Sale Agreement for the sale of one (1) undeveloped parcel on Idlewood Way (APN 011-490-004) to Habitat for Humanity of Tulare/Kings Counties, Inc.

Recommended Motion #2: I move to approve and authorize the Mayor to sign the Development Covenant and documents attached thereto as exhibits, which outline the conditions under which Habitat for Humanity of Tulare/Kings Counties, Inc will develop affordable housing on the Idlewood Way parcel.

BACKGROUND:

As a condition of approval of Vesting Tract Map 876, the City required the subdivider to dedicate four (4) buildable parcels to the City for use in its affordable housing program. Following the transfer of the four (4) properties (APNs 011-490-001, 002, 003, and 004), Self-Help Enterprises (SHE) and Habitat for Humanity of Tulare-Kings Counties, Inc. (Habitat) each expressed an interest in constructing affordable homes on the four (4) parcels.

The City Council declared the four (4) parcels surplus on April 6, 2021. Per Government Code requirements, City staff subsequently mailed a notice of availability to local agencies and

“housing sponsors” recognized by the California Department of Housing and Community Development.

SHE, an HCD-recognized “housing sponsor,” responded to the notice of availability and expressed an interest in three (3) of the four (4) parcels - APNs 011-490-001, 002, and 003. The City Council approved a Purchase and Sale Agreement for the sale of the three (3) parcels to SHE at its November 2, 2021 meeting.

Since no local agency or “housing sponsor” expressed a desire to purchase the fourth (4th) parcel, sales terms were negotiated with Habitat. The terms negotiated with Habitat are set forth in the attached Purchase and Sale Agreement (PSA) and Development Covenant.

The terms of Habitat’s PSA for the parcel are summarized as follows:

- **Total Purchase Price:** \$5,000.00.
- **Escrow Period:** Forty-five (45) days.
- **Development Conditions:** The sale is conditioned on Habitat developing an affordable single-family residence on the parcel.
- **Closing Condition:** Close of escrow will be conditioned on approval of the sale by the California Department of Housing and Community Development in accordance with surplus property laws.

The development and affordability conditions are contained in the attached Development Covenant and associated documents, including a Declaration of Restrictions. The Development Covenant and related documents are summarized as follows:

- **Construction of Homes:** Habitat will construct one (1) new single-family home that is approximately one thousand, five hundred (1,500) square feet in size, consisting of four (4) bedrooms, two (2) bathrooms, and a two (2) car garage.
- **Affordability:** The home will be initially sold to a household earning not more than eighty percent (80%) of the most recent annual median income and at affordable prices that allow monthly housing payments of not more than thirty percent (30%) of each household’s gross income. The U.S. Department of Housing and Urban Development (HUD) has identified the median income for Hanford as \$65,800.00 in 2021.
- **Ongoing Restrictions:** The parcel will be subject to the following restrictions:
 - o Thirty (30) year affordability period.

- o During the affordability period, a parcel must be occupied by an owner as his/her/their primary residence.
- o During the affordability period, each purchaser, at the time of purchase, must have an annual household income that does not exceed eighty percent (80%) of the annual median income published by HUD and each sale must be at an affordable price that allows monthly housing payments of not more than thirty percent (30%) of the household's gross income.
- o If an owner intends to sell the home and the sale does not satisfy the affordability requirements, the selling party may permanently eliminate such requirements by paying to the City an equity share amount equal to twenty percent (20%) of the net sales price. The net sales price will be calculated based upon the gross sales price at the time of sale, minus existing mortgages and loans, the reasonable costs of sale, and the reasonable costs of improvements made by the owner.

ATTACHMENTS: Purchase and Sale Agreement, Development Covenant, and related documents.

FISCAL IMPACT:

ATTACHMENTS:

2021.11.10 PSA 1 Lot Idlewood to Habitat for Humanity - FINAL

2021.11.10 Development Covenant - Habitat for Humanity - FINAL

**PURCHASE AND SALE AGREEMENT
(APN 011-490-001 Hanford, CA)**

This Purchase and Sale Agreement (the “Agreement”) is made as of November 16, 2021 (“Effective Date”) by and between **City of Hanford**, a municipal corporation (“Seller”), and **Habitat for Humanity of Tulare/Kings Counties, Inc.**, a California nonprofit public benefit corporation (“Buyer”) with reference to the following facts and purposes.

RECITALS

A. Seller is the owner of certain real property (the “Property”) identified as APN 011-490-004 Hanford, California as further described in Exhibit A attached hereto and incorporated herein by reference.

B. Buyer desires to purchase from Seller and Seller desires to sell to Buyer Seller’s right, title and interest in and to the Property.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Buyer and Seller (the “Parties”) agree as follows:

1. Purchase and Sale of the Property.

Subject to the terms and conditions set forth below, Seller agrees to sell its right, title and interest in and to the Property to Buyer.

2. Purchase Price.

The purchase price for the Property shall be Five Thousand Dollars and Zero Cents (\$5,000.00) (the “Purchase Price”). The purchase price shall be paid in cash by the Buyer at Closing (defined below).

3. Opening Escrow.

Prior to Closing, the Parties shall establish an escrow (“Escrow”) with Stewart Title Company of 329 W.8th St., Ste. 105, Hanford, CA (“Escrow Holder”) or a mutually acceptable title company.

4. Escrow and Closing.

4.1 The date for Closing shall be no later than forty-five (45) calendar days from the Effective Date.

4.2 Subject to satisfaction of the contingencies hereinafter described, Escrow Holder shall close this Escrow (the “Closing”) by:

- (a) recording the Grant Deed (defined below) and other documents required to be recorded in the Official Records of Kings County; and
- (b) disbursing the Purchase Price to Seller and other funds in accordance with the escrow instructions to be provided by Buyer and Seller.

5. Conditions to Close.

Each of the following conditions must be met or waived by the Parties prior to close of escrow:

- (a) Buyer must demonstrate to Seller's reasonable satisfaction Buyer's adequate funding to complete the construction of a single-family home of approximately fifteen thousand (1,500) square feet on the Property.
- (b) Buyer must demonstrate secondary financing is available for the final sale of each finished home to a Qualifying Buyer as defined in Section 9.
- (c) Buyer and Seller shall execute a Development Covenant, the terms of which are incorporated herein by reference, for Buyer's development of one (1) affordable home on the Property.
- (d) Buyer and Seller shall execute a Declaration of Restrictions, the terms of which are incorporated herein by reference, regarding ongoing affordability requirements to which the Property will be subject.
- (e) Approval of the Development Covenant and exhibits thereto by the California Department of Housing and Community Development.

6. Costs of Escrow.

All fees and costs of Escrow shall be paid by Buyer, including but not limited to the premium for Buyer's owner's policy of title insurance.

7. Representations and Warranties.

The Seller represents, warrants and covenants to the Buyer, as of the date of this Agreement and as of the date of Closing, as follows:

- (a) No Condemnation. To the best of the Seller's actual knowledge, there is no pending or threatened condemnation or similar proceeding affecting the Property, or any portion thereof, nor does the Seller have any actual knowledge that any such action is contemplated.

(b) No Proceedings. To the best of Seller's actual knowledge, there are no legal actions, suits, or other legal or administrative proceedings, including condemnation cases, pending or threatened against or affecting the Property or Seller's title to the Property. Seller has not received notice from any public agency or entity with respect to any future proceeding or basis for any future proceeding against or affecting the Property or any part of the Property, or concerning any existing or potential, past, present or future toxic or hazardous material or conditions at the Property.

(c) Clear Title. Seller is the owner of the Property and, to the best of Seller's actual knowledge, Seller has marketable and insurable fee simple title to the Property free of restrictions, leases, liens and other encumbrances except for such items reflected in Buyer's title policy. Prior to the Closing, Seller shall not convey or accept any offer to convey the Property or any portion of the Property nor shall Seller encumber or permit encumbrance of the Property in any way nor grant any property, contract or occupancy right relating to the Property or any portion thereof without the prior written consent of Buyer which may be withheld in Buyer's sole and absolute discretion.

(d) Environmental Status. Seller has not received notice from any public agency or entity with respect to any future proceeding or basis for any future proceeding against or affecting the Property or any part of the Property, or concerning any existing or potential, past, present or future Hazardous Materials (as defined below) or conditions on, in, under or otherwise affecting the Property. Seller possesses no environmental reports for the Property. Seller does not use, treat, store or dispose of, and has not permitted anyone else to use, treat, store or dispose of, whether temporarily or permanently, any Hazardous Materials at the Property in violation of any federal, state, or local law, regulation or ordinance, and to the best of Seller's actual knowledge there are no Hazardous Materials located on or about the Property; provided however, Seller makes no representations or warranties regarding the use of Hazardous Materials at the Property by Seller's predecessors in interest. The term "Hazardous Material(s)" shall mean (1) any oil or any fraction thereof or petroleum products or "hazardous substance" as defined in Section 101(14) of CERCLA (42 U.S.C. Section 9601(14) or Section 25281(h) or 25316 of the California Health and Safety Code at such time; any "hazardous waste," "infectious waste" or "hazardous material" as defined in Section 25117, 25117.5 or 25501 (j) of the California Health and Safety Code at such time; any other waste, substance or material designated or regulated in any way as "toxic" or "hazardous" in the RCRA (42 U.S.C. Section 6901 et seq.), CERCLA Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Safe Drinking Water Act (42 U.S.C. Section 300 (f) et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), Clean Air Act (42 U.S.C. Section 7401 et seq.), California Health and Safety Code (Section 25100 et seq. Section 39000 et seq.), or California Water Code (Section 13000 et seq.) at such time, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing criminal or civil liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; (2) any additional wastes, substances or material which at such time are classified, considered or regulated as hazardous or toxic under any other present or future environmental or other similar laws relating to the Property; and (3) any substance, product, waste or other material of any nature whatsoever

which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court.

(e) Right to Possession. Except as reflected in Buyer's title policy, to the best of Seller's actual knowledge, no person, firm, or corporation has a right to possession or is in possession of the Property or any portion thereof, as a lessee or tenant of Seller or otherwise except as approved by the Buyer in writing.

Seller makes the above representations with the understanding that each of said representations and warranties is material, notwithstanding any investigations, inspections or examinations made by or on behalf of Buyer, and has been relied upon by Buyer in connection herewith and shall be accurate, to the best of Seller's actual knowledge, at Closing. Seller shall indemnify, defend and hold Buyer and its partners, officers, directors, employees and agents harmless from and against any and all claims, demands, liabilities, costs, expenses, penalties and damages, (including reasonable attorneys' fees) arising out of, resulting or related in any manner to a breach of any of these representations by Seller.

8. Conveyance by Deed.

At the Closing, the Seller shall convey title to the Property from the Seller to the Buyer by grant deed in a form approved by the Buyer and subject only to those exceptions to title approved by Buyer (the "Grant Deed"), and deliver possession of the Property to Buyer.

9. Development of the site by the Buyer.

(a) The Property will be developed in accordance with a Development Covenant, the terms of which are incorporated herein by reference, executed by the parties.

(b) Buyer shall be solely responsible for: (i) determining whether development of the Property will be subject to prevailing laws (California Labor Code § 1720, *et seq.*); and (ii) adhering to all prevailing wage laws governing the development of the Property. Buyer will indemnify, defend, and hold Seller and Seller's officials, officers, employees, and agents harmless from Buyer's violation of any prevailing wage laws applicable to the development of the Property.

(b) The Property will be sold to qualified low income households so that the Property will be utilized for affordable housing. The initial sale of each house constructed shall be sold to an income qualified low-income household. Income qualified households ("Qualifying Buyers") shall be "Low Income" which means persons whose income does not exceed the limits set forth in Section 50079.5 of the California Health and Safety Code or any successor statute thereto. The Parties shall execute a Declaration of Restrictions, the terms of which are incorporated herein by reference, regarding ongoing affordability requirements to which the Property will be subject.

10. Property Taxes and Assessments.

Property taxes, assessments, utilities and all other charges related to the Property shall be prorated between the Seller and the Buyer as of the date of closing. Such prorations shall be made on the basis of a 365-day year.

11. “As Is”.

(a) Seller hereby represents and warrants that it has no actual knowledge of any hazardous substances located on or contained within or below the Property. Notwithstanding the representations contained herein, Buyer is purchasing the Property “as is” and Seller makes no representations as to the condition of the Property or its suitability for the purpose for which Buyer is acquiring the Property. Buyer waives all implied warranties associated with the Property, including, without limitation, the implied warranty of marketability and fitness for particular purpose.

(b) Except as expressly set forth in this Agreement, Buyer will indemnify, defend, and will hold Seller and Seller’s officials, officers, employees, and agents (collectively “Seller Parties”) harmless and hereby waives, releases, remises, acquits and forever discharges Seller and the Seller Parties of and from any and all suits, causes of action, legal, equitable or administrative proceedings, claims, demands, actual damages, punitive damages, losses, costs, liabilities, interest, attorneys’ fees and expenses of whatever kind and nature, in law or in equity, known or unknown, arising on the date of Closing or thereafter, and arising out of or in any way connected with, directly or indirectly, or based upon or arising out of the physical or environmental condition, status, quality, nature, or state of the Property; provided however, such duty to indemnify, defend, and hold Seller harmless shall not apply with respect to Seller’s gross negligence or intentional misconduct. It is the intention of this Agreement that, except for Seller’s gross negligence and intentional misconduct and except as otherwise expressly set forth herein, any and all responsibilities and obligations of Seller to Buyer, and any and all rights or claims of Buyer, its successors and assigns and affiliated entities, with respect to, or as against Seller arising by virtue of, the physical or environmental condition of the Property are by this release provision declared to be, from and after Closing, null and void and of no present or future effect as to such Parties. With respect to the matters released by Buyer pursuant to this Section 11, Buyer waives the benefits of Section 1542 of the Civil Code of the State of California, which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

12. No Brokers.

Each party represents to the other that it has not had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any real estate broker or other person who can claim a right to a commission or finder's fee. If any broker or finder makes a claim for a commission or finder's fee based upon a contact, dealings, or communications, the party through whom the broker or finder makes this claim shall indemnify the other party, defend with counsel of the indemnified party's choice, and hold the indemnified party harmless from all expense, loss, damage and claims, including the indemnified party's attorneys' fees, if necessary, arising out of the broker's or finder's claim.

13. Notices.

Unless otherwise provided herein, any notice, tender or delivery to be given pursuant to this Agreement by either party may be accomplished by personal delivery in writing or by first class certified mail, return receipt requested. Any notice by such mailing shall be deemed received three (3) days after the date of mailing. Mailed notices shall be addressed as set forth below, but each party may change its address by written notice in accordance with this Section 12.

To Seller: City of Hanford
 319 N. Douty
 Hanford, CA 93230
 Attn: City Manager

To the Buyer: Habitat for Humanity of Tulare/Kings Counties, Inc.
 P.O. Box 848
 Visalia, CA 93279

13. Assignment.

The Buyer shall have the right to assign this Agreement and its rights hereunder at any time prior to Closing without the consent of Seller to any entity in which Buyer is the controlling party. In the event of such a transfer, the transferee shall assume the rights of the Buyer and the Buyer shall remain liable hereunder. Any other assignment shall not be made without Seller's consent, which shall not be unreasonably withheld.

14. General Provisions.

(a) Headings. The title and headings of the various sections hereof are intended for means of reference and are not intended to place any construction on the provisions hereof.

(b) Invalidity. If any provision of this Agreement shall be invalid or unenforceable the remaining provisions shall not be affected thereby, and every provision hereof shall be valid and enforceable to the fullest extent permitted by law.

(c) Attorneys' Fees. In the event of any litigation between the parties hereto to enforce any of the provisions of this Agreement, the unsuccessful party to such litigation agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees incurred by the successful party, all of which may be included as part of the judgment rendered in such litigation.

(d) Entire Agreement. The terms of this Agreement and the documents referenced herein are intended by the Parties as a final expression of their agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. The parties further intend that this Agreement constitute the exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceedings involving this Agreement. No provision of this Agreement may be amended except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(e) Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

(f) Time of the Essence. Time is of the essence in this Agreement.

(g) Cooperation of Parties. The Seller and the Buyer shall, during the Escrow period, execute any and all documents reasonably necessary or appropriate to close the purchase and sale pursuant to the terms of this Agreement.

(h) Counterparts. This Agreement may be executed in counterparts.

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IN WITNESS WHEREOF, the Parties have executed this Agreement on or as of the date first above written.

SELLER:

City of Hanford,
a municipal corporation

By: _____
Francisco Ramirez
Mayor

BUYER:

Habitat for Humanity of Tulare/Kings Counties, Inc.,
a California nonprofit public benefit corporation

By: _____
Denise Marchant
President

By: _____
Josh Fox
Secretary

EXHIBIT A

Legal Description

The following described real property in the City of Hanford, Kings County, State of California:

Lot 4, as shown on that certain map entitled “County Tract No. 876 – Greenbrier Garden”, which map was filed in the office of the County Recorder of the County of Kings, State of California on May 16, 2014, in Book 24 of Tract Maps at Page 88.

(APN 011-490-004).

NO FEE REQUIRED PURSUANT
TO CODE SECTION 27383
CODE 6103

RECORDING REQUESTED BY
AND MAIL RESPONSE TO:

CITY OF HANFORD
COMMUNITY DEVELOPMENT

317 North Douty Street
HANFORD, CA 93230

DEVELOPMENT COVENANT

This DEVELOPMENT COVENANT ("Agreement") is entered into as of the Effective Date (defined below), between the CITY OF HANFORD, a municipal corporation ("City" or "the City") HABITAT FOR HUMANITY OF TULARE/KINGS COUNTIES, INC., a California non-profit corporation ("Developer" or "the Developer").

RECITALS

The parties enter into this Agreement based on the following facts, understandings, and intentions:

- A. Pursuant to the Purchase Agreement (defined below) Developer has acquired that certain vacant lot located in Hanford, California that is more particularly described in Exhibit "A" (the "Property"), which is incorporated herein by reference.
- B. In connection with Developer's purchase of the Property from City, Developer has agreed to construct one (1) new, approximately, one thousand, five hundred (1,500) square foot single family home consisting of four (4) bedrooms, two (2) bathrooms and a two-car garage (the "Project") to be marketed and sold to a household earning not greater than eighty percent (80%) of the most recent annual median income ("AMI") calculated and published by HUD for the Hanford Metropolitan Statistical Area applicable to such household's size and at affordable prices which allow monthly housing payments (principal, interest, taxes and insurance) of not more than thirty percent (30%) of each household's gross income, in accordance with the terms and conditions set forth herein.
- C. This project has been provided with a finding of Categorical Exemption pursuant to Article 19, Section 15332 (Class 32/infill) of the California Environmental Quality Act (CEQA).

AGREEMENT

In consideration of the mutual promises and covenants and upon the terms and conditions set forth in this Agreement, the parties agree as follows:

1. **DEFINITIONS** Besides definitions contained elsewhere in this Agreement, the following definitions will govern the construction, meaning, application and interpretation of the defined terms, as used in this Agreement.

- 1.1 ADA. "ADA" means the Americans with Disabilities Act of 1990.

- 1.2 Agreement. "Agreement" means this Development Covenant between City and Developer.
- 1.3 Certificate of Completion. "Certificate of Completion" means that Certificate issued in the form attached as Exhibit "E" to Developer by City evidencing completion of the Project for purposes of this Agreement.
- 1.4 City. "City" means the City of Hanford, a municipal corporation, having its offices at 319 N. Douty Street, Hanford, California 93230, and operating through its Council and its various departments.
- 1.5 Day. "Day," whether or not capitalized, means a calendar day, unless otherwise stated.
- 1.6 Default. "Default" means a party's failure to timely perform any action or covenant required by this Agreement following notice and opportunity to cure.
- 1.7 Developer. "Developer" means Habitat for Humanity of Tulare/Kings Counties, Inc., a California non-profit corporation.
- 1.8 Effective Date. "Effective Date" means the date that City signs this Agreement (including attestation by the Clerk), after Developer signs it.
- 1.9 Environmental Laws. "Environmental Laws" means any federal, state, or local law, statute, ordinance or regulation concerning environmental regulation, contamination or cleanup of any Hazardous Materials or Waste including, without limitation, any state or federal lien or "super lien" law, any environmental cleanup statute or regulation, or any governmentally required permit, approval, authorization, license, variance or permission.
- 1.10 Hazardous Materials. "Hazardous Materials" means any substance, material, or waste, which is or becomes regulated by any local governmental authority, the State of California, or the United States Government including, without limitation, any material or substance, which is: (a) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117, or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, (b) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, (c) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, (d) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, (e) petroleum, (f) friable asbestos, (g) polychlorinated biphenyl, (h) listed under Article 9 or defined as "hazardous" or "extremely hazardous" under Article 11 of Title 22, California Code of Regulations, (i) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (j) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. §6901 *et seq.*, or (k) defined as "hazardous substances" pursuant to Section of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §9601, *et seq.*); provided, however, hazardous materials shall not include: (1) construction materials, gardening materials, household products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of residential rental housing, mixed-use, or commercial developments or associated buildings or grounds, or typically used in household activities in a manner typical of other

residential, mixed-use or commercial developments which are comparable to the Improvements; and (2) certain substances which may contain chemicals listed by the State of California pursuant to Health and Safety Code Section 25249, et seq., which substances are commonly used by a significant portion of the population living within the region of the Property, including, but not limited to, alcoholic beverages, aspirin, tobacco products, NutraSweet, and saccharine.

- 1.12 Improvements. "Improvements" means the construction of the Project on the Property.
- 1.13 Performance Schedule. "Performance Schedule" means the schedule attached as Exhibit "C," setting forth the dates and times by which the parties must accomplish certain obligations under this Agreement. The parties may revise the Schedule from time to time on mutual written agreement of Developer and City, but any delay or extension of the completion date is subject to the requirements in this Agreement.
- 1.14 Project. "Project" means the development that Developer is to complete on the Property and any off-site improvements, as generally described in the Scope of Development, attached as Exhibit "B." The Project includes construction of one (1) new one thousand, five hundred (1,500) square foot single family home consisting of four (4) bedrooms, two (2) bathrooms and a two-car garage to be marketed and sold to households earning not greater than eighty percent (80%) of the most recent annual median income ("AMI") calculated and published by HUD for the Hanford Metropolitan Statistical Area applicable to such household's size and at affordable prices which allow monthly housing payments (principal, interest, taxes and insurance) of not more than thirty percent (30%) of each household's gross income. Each of the homes will be similar in architectural style and design to the homes in the vicinity of the Project, and the design of the homes will be subject to approval by the City prior to construction.
- 1.15 Project Budget. "Project Budget" shall mean the schedule of sources and uses of funds attached hereto as Exhibit "D."
- 1.16 Project Completion Date. "Project Completion Date" means the date that City shall have determined the Project has reached completion in accordance with the plans and specifications in the Development Schedule, as evidenced by City's issuance of a Certificate of Completion.
- 1.17 Property. "Property" means the real property described in Exhibit "A."
- 1.18 Security Financing Interest. "Security Financing Interest" means a security interest, which Developer grants in its interest in the Property, to secure a debt, the proceeds of which Developer uses to construct the Project.

2. CITY ASSISTANCE & DEVELOPMENT LOAN

- 2.1 City will not be required, nor shall City provide, any financial assistance to Developer for construction of the Project.
- 2.2 Developer agrees to provide construction financing for the development of the Project to be repaid upon the sale of the Project to a household earning not greater than eighty percent (80%) AMI.

3. PROJECT DEVELOPMENT

- 3.1 Private Development Project; Revision of Project. Developer will complete the Project as described in the Scope of Development using contractors licensed to do business in California except where provision of state code allows for owner-builder exemptions.
- 3.2 Time for Completion of the Project. Developer will begin construction by the date provided in the Performance Schedule, and will diligently complete the Project according to the Performance Schedule, or by any other date as the parties may agree in a written extension signed by the parties and subject to any extension of time provided for in Section 3.3.
- 3.3 Extension of Time for Completion. In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of another party; acts or the failure to act of any public or governmental agency or entity or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty days after the commencement of the cause, the period shall commence to run only thirty days prior to the giving of such notice. Times of performance under this Agreement may also be extended in writing by City and the Developer. Hanford's City Manager, on behalf of City, may grant extension(s) which cumulatively do not exceed one hundred eighty (180) days; any additional extension shall require City Council approval.
- 3.4 Certificate of Completion. After Developer has satisfactorily completed the Project according to this Agreement, Developer may ask City to record a Certificate of Completion indicating that the Project is complete, substantially in the form attached as Exhibit "E." For purposes of this section, Developer's submission of a "Safe to Occupy" Certificate or Certificate of Occupancy for the Improvements of the Project shall be conclusive evidence that Developer has satisfactorily completed those Improvements. Subject to the satisfaction of the conditions to its issuance (see next subsection) and within ten days of such request, City shall provide an instrument certifying Developer's completion of the Project, by preparing and recording the Certificate of Completion. This release, when recorded, will evidence the City's conclusive determination that Developer has satisfied the construction covenants in this Agreement for the Project. The release will not be evidence that Developer has complied with or satisfied any obligation to any person holding a deed of trust or Security Financing Interest. The release shall not terminate Developer's indemnification or other obligations, which by their nature are intended to survive Project completion. After the release is recorded in the Official Records of Kings County, any party then owning or after that purchasing the project shall not (because of such ownership or purchase) incur

any obligation or liability under this Agreement regarding the construction requirements or Project development of the completed project.

- 3.5 Conditions to Issuing the Certificate of Completion. The following are all conditions precedent to City issuing the Certificate of Completion for the project, or any phase thereof, and each submission will be in a form and substance satisfactory to the City:
 - 3.5.1. Evidence that all mechanics' liens or material men's liens and claims recorded against the Property, or any Phase thereof, and the Project Improvements that are the subject of the Certificate of Completion have been unconditionally and finally released or, if not released, sufficiently bonded against as required by law.
- 3.6 Liens and Stop Notices. If a claim of lien or bonded stop notice is recorded against the Property or any Project improvements, the Developer, within 91 days after that, or within five days after the City's demand, whichever occurs last, will do the following:
 - 3.6.1. Pay or discharge the same;
 - 3.6.2. Effect the release of it by recording and delivering to the City a surety's release bond in sufficient form and amount, or otherwise; or
 - 3.6.3. Give the City other assurance that the City, in its sole discretion, deems satisfactory to protect the City from the effect of the lien, claim or bonded stop notice.
- 3.7 Proof of Insurance. Annually, beginning with commencement of construction of the Project, and continuing until the issuance of a Certificate of Completion for the Project, Developer shall submit proof of insurance as required by this Agreement.
- 3.8 Taxes and Assessments. The Developer will pay before delinquency all ad valorem real estate taxes and assessments on the Property, subject to the Developer's right to contest any taxes or assessments in good faith. The Developer will remove any levy or attachment on the Property or any part of it, or assure the satisfaction of the levy or attachment within a reasonable time.
- 3.9 Compliance with Laws. In performing its obligations hereunder, Developer shall comply with all applicable laws, regulations, and rules of the governmental agencies having jurisdiction, including, without limitation, applicable federal and state labor standards and environmental laws and regulations. Developer, not City, is responsible for determining applicability of and compliance with all local, state and federal laws including, without limitation, the California Labor Code, Public Contract Code, Public Resources Code, Health & Safety Code, Government Code, and Hanford Municipal Code. The City makes no representations regarding the applicability of any such laws to this Agreement, the Project, or the parties' respective rights or obligations hereunder including, without limitation, payment of prevailing wages, competitive bidding, subcontractor listing, or other matters. The City shall not be liable or responsible, in law or equity, to any person for Developer's failure to comply with any such laws, whether the City knew or should have known of the need for Developer to comply, or whether the City failed to notify Developer of the need to comply.

4. SALE OF COMPLETED PROJECT TO A HOUSEHOLD EARNING NOT GREATER THAN EIGHTY (80%) AMI

- 4.1 Developer Obligations. Developer shall be responsible for all aspects of the marketing and selling of the completed Project to households earning not greater than eighty percent (80%) AMI and at an affordable price which allows monthly housing payments (principal, interest, taxes and insurance) of not more than thirty percent (30%) of the household's gross income, including but not limited to, the coordination of all potential sales and income qualifications for all buyers to confirm that such income and affordability requirements are satisfied and coordination with all mortgage lenders, preparation of purchase documents and loan documents necessary for secondary financing.

5. INDEMNITY; INSURANCE

- 5.1 Indemnity. To the furthest extent allowed by law, Developer shall indemnify, hold harmless and defend, with qualified counsel of Developer's choice, the City, and each of its officers, officials, employees and agents from any loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability including, without limitation, personal injury, death at any time and property damage) incurred by the City, Developer or any other person, and from any claims, demands and actions in law or equity (including reasonable attorneys' fees, litigation and legal expenses incurred by the City or held to be the liability of the City, including plaintiff's or petitioner's attorneys' fees if awarded, in connection with the City's defense of its actions in any proceeding), arising or alleged to have arisen directly or indirectly out of performance or in any way connected with: (i) the making of this Agreement; (ii) the performance of this Agreement; (iii) the performance or installation of the work or Improvements by the Developer and Developer's employees, officers, agents, contractors or subcontractors; (iv) the design, installation, operation and removal or maintenance of the work and Improvements; or (v) the City's granting, issuing or approving use of this Agreement.

Developer's obligations under the preceding sentence shall apply regardless of whether the City or any of its officers, officials, employees or agents are negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or caused by the willful misconduct, of the City or any of its officers, officials, employees, agents or authorized volunteers.

This indemnity shall also cover, without limitation the following: (i) any act, error or omission of Developer as to the City or any of their officers, employees, contractors, subcontractors, invitees, agents or representatives in connection with this Agreement, the Project or the Property; (ii) any use of the Property, the Project by Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives, successors or assigns; (iii) the design, construction, operation or maintenance of the Project; or (iv) failure of Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives to comply with any Federal, State or local law, code, ordinance or regulation applicable to this Agreement or the Project, including, but not limited to, claims based upon failure to comply fully with prevailing wage laws as may be determined by any court or agency of the State of California or United States

Government; with respect to any and all claims related to prevailing wage, Developer, as provided herein and otherwise in this Agreement, assumes all responsibility for payment of prevailing wage and complying with prevailing wage laws, if required, and specifically waives any and all rights against the City, as well as the City and agents, employees, agencies, and consultants, pursuant to California Labor Code section 1726(c) and analogous federal law, if any, and agrees to defend and fully indemnify the City, as well as City agents, employees, agencies, and consultants, for any claims based upon failure to pay prevailing wage, including, without limitation, claims for damages, fines, penalties, litigation expenses, costs, attorneys' fees, and interest. Developer and/or the City have the right to contest or challenge any finding that prevailing wage applies.

This section shall survive termination or expiration of this Agreement and the potential recordation of the Grant Deeds.

- 5.1.1 Action Arising Out of Approval of This Agreement. The Developer shall indemnify, defend and hold the City and each of their respective officers, officials, employees, agents, boards and volunteers harmless from any judicial action filed against the City by any third party arising out of the City's approval of this Agreement or any permit, entitlement or other action required to implement this Agreement, including without limitation approvals under the Law, CEQA or the City's Municipal Code. The City will promptly notify the Developer of the action. Within fifteen (15) days after receipt of the notice, the Developer shall take all steps necessary and appropriate to assume defense of the action; provided however, the City may utilize the attorneys of its choice for its defense and Developer shall be responsible for the legal fees and costs incurred by the City in such action. The City will cooperate with the Developer in the defense of the action (at no cost to City). Neither the Developer nor City will compromise the defense of such action or permit a default judgment to be taken against the City without the prior written approval of the other party(ies).
- 5.1.2 Survival of Indemnification Provisions. Except as otherwise specifically stated herein, the indemnification provisions in this subsection and every other indemnification in this Agreement will survive any termination of this Agreement, will survive any Closing, will survive the expiration of any covenant herein and will not merge with any other document evidencing an interest in real property.
- 5.2 Insurance. Until the City issues the Certificate of Completion and records it in the Official Records of Kings County, Developer shall pay for and maintain, or cause to be paid and maintained, in effect all insurance policies required hereunder with insurance companies either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A: VII" in Best's Insurance Rating Guide; or (ii) authorized by the City's Risk Manager. The following policies of insurance are required, and Developer will deliver proof of these policies before starting construction:
 - 5.2.1 Commercial General Liability Insurance. Commercial general liability Insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and shall include insurance for bodily injury, property damage, and personal and advertising

injury with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, contractual liability (including indemnity obligations under this Agreement), with limits of liability of not less than five million dollars (\$5,000,000) per occurrence for bodily injury and property damage, one million dollars (\$1,000,000) per occurrence for personal and advertising injury and five million dollars (\$5,000,000) aggregate for products and completed operations, and five million dollars (\$5,000,000) general aggregate.

- 5.2.2 Commercial Automobile Liability Insurance. Commercial automobile liability insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Business Auto Coverage Form CA 00 01 (Section 1, subsection A.1 entitled "Any Auto"), with combined single limits of liability of not less than one million dollars (\$1,000,000) per accident for bodily injury and property damage.
- 5.2.3 Workers' Compensation Insurance. Workers' compensation insurance, as required under the California Labor Code.
- 5.2.4 Employer's Liability. Employer's liability coverage with minimum limits of liability of not less than one million dollars (\$1,000,000) each accident, one million dollars (\$1,000,000) disease policy limit and one million dollars (\$1,000,000) disease each employee.
- 5.2.5 Fire and Extended Coverage Insurance. Fire and extended coverage insurance for at least the full replacement cost of the Developer Improvements on the Property, excluding foundations, footings and excavations and tenant improvements, fixtures and personal property.
- 5.2.6 Builders Risk Insurance. Builders risk insurance sufficient to cover one hundred (100) percent of the replacement value of all improvements made on the Property including, without limitation, terms of labor and materials in place or to be used as part of the permanent construction (including, without limitation, surplus miscellaneous materials and supplies incidental to the work, and scaffolding, staging, towers, forms and equipment not owned or rented by Developer, the cost of which is not included in the cost of work). Such coverage shall be written on an "All Risk" (Special Perils) coverage form.

Developer shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Developer shall also be responsible for payment of any self-insured retentions.

The above-described policies of insurance shall be endorsed to provide an unrestricted thirty calendar day written notice in favor of the City, of policy cancellation, change or reduction of coverage, except the Workers' Compensation policy that shall provide a ten-calendar day written notice of such cancellation, change or reduction of coverage. If any policy is due to expire during the term of this Agreement, Developer shall provide a new certificate evidencing policy renewal not less than fifteen calendar days before the expiration date of the policy. When an insurer, broker, or agent issues a notice of cancellation, change or reduction in coverage, Developer shall immediately obtain and file a certified copy of a new or renewal policy and certificates for such policy with the City.

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and shall name the City and the officers, officials, agents

and employees as an additional insured. Each policy shall be endorsed so that Developer's insurance is primary and no contribution is required of the City. All insurance policies required hereunder shall contain a waiver of subrogation as to City, its officers, officials, agents, employees and volunteers. Developer shall, upon the parties' execution of this Agreement, furnish the City with a Certificate(s) of insurance and endorsements evidencing that all requirements of this Agreement have been satisfied, and Developer will provide copies of the actual policies upon the City's request.

The fact that insurance is obtained by Developer or its subcontractors shall not be deemed to release or diminish the liability of Developer or its subcontractors including without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City, and their officers, officials, agents, employees and volunteers, shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Developer or its subcontractors. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Developer, its principals, officers, agents, employees, persons under the supervision of Developer, vendors, suppliers, invitees, subcontractors, consultants or anyone employed directly or indirectly by any of them.

If Developer fails to maintain the required insurance in full force and effect, Developer shall immediately discontinue all work under this Agreement, and take all necessary actions to secure the work site to insure that public health and safety is protected, until City receives notice that the required insurance has been restored to full effect and that the premiums for the insurance have been paid for a period satisfactory to City. Developer's failure to maintain any required insurance shall be sufficient cause for City to terminate this Agreement after notice and the right to cure as provided in Section 9.5.

If Developer subcontracts all or any portion of the work under this Agreement, Developer shall require each subcontractor to provide insurance protection in favor of Developer and the City, and their officers, officials, employees, agents and volunteers according to the terms of each of the preceding paragraphs, except that the subcontractors' certificates and endorsements shall be on file with Developer and City before the subcontractor begins any work.

6. SECURITY FINANCING INTERESTS AND RIGHTS OF HOLDERS

- 6.1 Prohibition Against Transfer of Property, the Buildings or Structures Thereon and Assignment of Agreement. Prior to the issuance by City of a Certificate of Completion for the Project, the Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of the Property or the buildings or improvements thereon without the prior written approval of City. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed.

- 6.1.1 Permitted Transfers. Notwithstanding the foregoing, the following events ("Permitted Transfers") shall not be deemed a transfer for the purposes of requiring City's consent:
- A. Creation of Security Financing Interests;
 - B. A sale, conveyance, or transfer of the Property at foreclosure (or a deed in lieu of foreclosure) resulting from a Security Financing Interest;
 - C. The conveyance or dedication of parts of the Property to the City or the grant of easements or permits solely to facilitate the development of the Property before the Certificate of Completion is recorded;
 - D. Sale or rental of Project units/space in accordance with this Agreement;
 - E. Sale or assignment to an entity controlled by or in common control with Developer;
 - F. Assignments resulting from the death or mental or physical incapacity of an individual;
 - G. Assignments in trust for the benefit of a partner's spouse, children, grandchildren or other family members.
- 6.2 Approval or Consent of City. When a request for transfer or assignment is submitted to City for consideration, approval will be conditioned on the following:
- 6.2.1 Financial Strength and Business Experience. The proposed transferee will demonstrate to City's reasonable satisfaction that the proposed transferee has sufficient financial strength and the business experience in planning, financing, development, ownership, and operation of similar projects to complete the Project, or portion thereof, competently.
- 6.2.2 Assumption Agreement. Any transferee, by recordable instrument acceptable to the City, shall expressly assume all the unfulfilled or ongoing obligations of the Developer under this Agreement, and agree to be subject to all the conditions and restrictions to which the Developer is subject with respect to the Property or applicable portion thereof.
- 6.2.3 Transfer Documents. The Developer or its successors shall submit all documents, proposed to affect any transfer or assignment, to the City for review and approval.
- 6.2.4 Other Information. Developer or its successors shall deliver all information to City that City may reasonably request to enable it to evaluate the proposed transfer or assignment. City shall approve, conditionally approve, or disapprove a request for assignment within fifteen (15) days after receiving the request and all supporting documentation.
- 6.2.5 Developer's Release. City's approval of any transfer, assignment, or sale will not relieve the Developer or any successor from any unfulfilled or ongoing obligations of Developer under this Agreement with respect to any portion of the Property not transferred. The provisions of this subsection are intended to discourage land speculation, and these provisions shall be liberally interpreted to accomplish that end.
- 6.3 Security Financing; Rights of Holders.

- 6.3.1 No Encumbrances Except Mortgages, Deeds of Trust, Sales and Lease-Backs or Other Financing for Development. Notwithstanding Section 6.1 of this Agreement, mortgages, deeds of trust, sales and lease-backs or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion but only for the purpose of securing loans of funds to be used for financing the acquisition of the Property, the construction of improvements on the Property and any other expenditures necessary and appropriate to develop the Property under this Agreement. The Developer shall promptly notify City of any mortgage, deed of trust, sale and lease-back or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Property whether by voluntary act of the Developer or otherwise. The words "mortgage" and "deed of trust," as used herein, include all other appropriate modes of financing real estate acquisition, construction and land development.
- 6.3.2 Holder Not Obligated To Construct Improvements. The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion, nor shall any covenant or any other provision in the grant deed for the Property be construed so to obligate such holder; provided however, such interest shall be subject to the use limitations identified in Section 7.3 below. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by this Agreement.
- 6.3.3 Notice of Default to Mortgage, Deed of Trust, or Other Security Interest Holders; Right to Cure. Whenever City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the improvements, City shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust, or other security interest authorized by this Agreement who has previously made a written request to City therefor default of the Developer under this Section 6.3.3. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the improvements (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Developer's obligations to City by written agreement reasonably satisfactory to City. The holder in that event must agree to complete, in the manner provided in this Agreement, the improvements to which the lien or title of such holder relates and submit evidence reasonably satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations. Any such holder properly completing such improvements shall be entitled, upon written request made to the City, to a Certificate of Completion from the City.
- 6.3.4 Failure of Holder to Complete Improvements. In any case where, six months after default by the Developer in completion of construction of improvements under this Agreement, the holder of any mortgage, deed of trust, or other security interest creating a lien or encumbrance upon the Property has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with

construction, the City may, but shall not be required to, purchase the mortgage, deed of trust, or other security interest, including the underlying debt, by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest. If the ownership of the Property has vested in the holder, City, if it so desires, shall be entitled to a conveyance of the Property from the holder to the City upon payment to the holder of an amount equal to the sum of the following:

- A. The unpaid mortgage, deed of trust, or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
- B. All expenses with respect to foreclosure;
- C. The net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Property;
- D. The costs of any authorized improvements made by such holder; and
- E. An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the City.

- 6.3.5 Right of the City to Cure Mortgage, Deed of Trust or Other Security Interest Default. In the event of a default or breach by the Developer on a mortgage, deed of trust or other security interest with respect to the Property prior to the completion of the Project, and the holder has not exercised its option to complete the Project, the City may, but shall not be required to, cure the default prior to completion of any foreclosure. In any such event, the City shall be entitled to reimbursement from Developer of all costs and expenses incurred by the City in curing the default. the City shall also be entitled to a lien upon the Property to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Property as authorized herein.

7. USE AND MAINTENANCE OF THE PROPERTY

- 7.1 Developer covenants and agrees for itself, its successors and assigns, which covenants shall run with the land and bind every successor or assign in interest of Developer, that during development of the Property pursuant to this Agreement and thereafter, neither the Property nor the improvements, nor any portion thereof, shall be improved, used or occupied in violation of any applicable governmental restrictions or the restrictions of this Agreement. Furthermore, Developer and its successors and assigns shall not initiate, maintain, commit, or permit the maintenance or commission on the Property or in the improvements, or any portion thereof, of any nuisance, public or private, as now or hereafter defined by any statutory or decisional law applicable to the Property or the improvements, or any portion thereof.
- 7.2 Notwithstanding anything to the contrary or that appears to be to the contrary in

this Agreement, Developer hereby covenants, on behalf of itself, and its successors and assigns, which covenants shall run with the land and bind every successor and assign in interest of Developer that, Developer and such successors and assigns shall use the Property solely for the purpose of constructing, maintaining and selling the Project to an income eligible household meeting the requirements and restrictions of this Agreement and the Declaration of Restrictions ("Declaration of Restrictions") attached hereto as Exhibit "F," which is incorporated herein by reference.

7.3 Affordable Housing.

- 7.3.1 Construction of Affordable Housing Unit. The Developer covenants and agrees to construct one (1) single-family unit to be sold to an income eligible household at affordable prices in accordance with the Declaration of Restrictions. This Agreement and the City's sale of the Property to Developer are expressly conditioned on the parties' execution of the Declaration of Restrictions concurrently herewith.
- 7.3.2 Obligation to Refrain from Discrimination. There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the rental, sale, lease, sublease, transfer, use, occupancy or enjoyment of the Property, or any portion thereof, nor shall Developer, or any person claiming under or through Developer, establish or permit any such practice, or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property or any portion thereof (except as permitted by this Agreement). The nondiscrimination and non-segregation covenants herein shall remain in effect in perpetuity.
- 7.3.3 Maintenance of Improvements. Developer covenants and agrees for itself, its successors and assigns, and every successor in interest to the Property or any part thereof, that, after the City's issuance of its Certificate of Completion the Developer, its successors and assigns, and every successor in interest to the Site Property, shall be responsible for the maintenance of all improvements that may exist on the Property (except for maintenance of improvements within the public right of way which fall under the purview of the City) from time to time, including without limitation buildings, parking lots, lighting, signs, and walls, in good condition and repair, and shall keep the Property free from any accumulation of debris or waste materials. The Developer shall also maintain all landscaping required pursuant to Developer's approved landscaping plan in a healthy condition, including replacement of any dead or deceased plants. The foregoing maintenance obligations shall run with the land in accordance with and for the term of the Declaration of Restrictions. Developer hereby waives any notice, public hearing, and other requirements of the public nuisance laws and ordinances of the City that would otherwise apply, except as specified in the Declaration of Restrictions. Upon the sale of the Project, Developer (but not Developer's successor) shall be released from the requirements imposed by this subsection 7.3.3, and the financial liability therefor.

7.3.4 Effect of Covenants.

7.3.4.1 The City is deemed the beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land appearing in the Declaration of Restrictions, for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of the City shall run without regard to whether the City has been remains or is an owner of any land or interest in the Property, and shall be effective as both covenants and equitable servitudes against the Property. The City shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies available and to maintain any actions or suits at law or in equity or other and proper proceedings to enforce the curing of such breaches to which it may be entitled. No other person or entity shall have any right to enforce the terms of this Agreement under a theory of third-party beneficiary or otherwise. The covenants running with the land and their duration are set forth in the Declaration of Restrictions.

7.3.4.2 The affordable housing provisions of this Section 7.3 are a material condition of the City's sale of the Property to Developer. Should Developer offer the Property as security for mortgages, deeds of trust, sales and lease-backs or any other form of conveyance required for any reasonable method of financing, Developer shall cause the secured party to execute a non-disturbance and attornment agreement as to this Agreement, the Memorandum of Development Covenant attached hereto as Exhibit "G," and the Declaration of Restrictions. Such non-disturbance and attornment agreement shall in a form acceptable to the City.

8. REPRESENTATIONS AND WARRANTIES

8.1 Developer Representations and Warranties.

8.1.1 Representations and Warranties of Developer. Developer represents and warrants that:

- A. Developer is a California nonprofit corporation duly formed and existing under the laws of the State of California, in good standing, and authorized to do business in the State of California, County of Kings, and the City of Hanford.
- B. Developer has all requisite power and authority to carry out its business as now and hereafter conducted and to enter and perform its obligations under this Agreement.
- C. The person or persons signing this Agreement for Developer have been duly authorized to execute and deliver this Agreement and to legally bind Developer to its terms and conditions.

- D. Developer's execution and performance of this Agreement does not violate any provision of any other agreement to which Developer is a party.
- E. Except as may be specifically set forth in this Agreement, no approvals or consents not heretofore obtained by Developer are necessary to Developer's execution of this Agreement.
- F. Developer has or will have sufficient funds available to fund the Project and to pay all costs assumed by Developer hereunder.
- G. This Agreement is valid, binding, and enforceable against Developer in accordance with its terms, except as such enforceability may be limited by principals of public policy and subject to the laws of general application relating to bankruptcy, insolvency and the relief of debtors, and rules of law governing specific performance, injunctive relief or other equitable remedies.
- H. Developer has made no contract or arrangement of any kind the performance of which by the other party thereto would give rise to a lien on the Property.

8.1.2 Survival of Representations and Warranties. The parties are relying upon the above representations and warranties in entering this Agreement. The foregoing representations are and shall be continuing in nature and shall remain in full force and effect until all obligations under this Agreement are met or this Agreements terminated in a manner provided herein.

9. DEFAULT, REMEDIES AND TERMINATION

- 9.1 Default. Failure or delay by either party to perform any term of this Agreement shall be a default under this Agreement if not cured within the time set forth herein. Any failure or delay by a party in asserting any right or remedy will not constitute a waiver and will not deprive the party of its right to institute and maintain any action or proceeding necessary to protect or enforce any right or remedy.
- 9.2 Legal Actions. A party may institute a legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. Such legal action shall be brought in the Kings County Superior Court or the Fresno Division of the Federal District Court for the Eastern District of California.
- 9.3 Rights and Remedies are Cumulative. Except as may be expressly stated otherwise in this Agreement, the rights and remedies of the parties are cumulative. The exercise by either party of one (1) or more of its rights or remedies shall not preclude the exercise by it, at the same or a different time, of any other rights or remedies for the same default or any other default. In addition to the specific rights and remedies herein, the parties may resort to any other rights or remedies available at law or in equity, including, without limitation, specific performance.
- 9.4 Notice and Cure Periods. If either party fails to perform under any provision of this Agreement including documents incorporated herein, the non-defaulting party shall serve written notice of the default on the defaulting party, describing the

default, and the actions necessary to cure the default. A defaulting party will have thirty (30) days from the date of the notice to cure the breach or failure unless a different time period is provided in this Agreement in which case the latter shall apply. If the default is not susceptible to cure within the thirty (30) days, the defaulting party shall begin to cure the default within the thirty (30) days and after that diligently prosecute the cure to completion. Failure of the defaulting party to cure within these times shall entitle the non-defaulting party to enforce any right or remedy provided in this Agreement, at law, or in equity. This provision is not intended to modify or extend any other notice or cure period specifically provided for in this Agreement. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

9.5 Right of Re-entry (Power of Termination) and Reverter. The City may reenter and take possession of the Property, or part of it, and all improvements on it, terminate the estate conveyed to Developer by the Grant Deed and revest the estate in the City if, after the Closing, but before recording a Certificate of Completion, any of the following occurs:

- 9.5.1. Developer does not begin and complete construction of the Project within the time specified in the Performance Schedule or this Agreement unless otherwise extended by the terms herein; or
- 9.5.2. Developer abandons or substantially suspends construction of the Project for sixty (60) days after the City gives written notice of the abandonment or suspension; or
- 9.5.3. Developer assigns or transfers, or suffers an involuntary transfer of, any rights or obligations under this Agreement, or in the Property, in violation of the assignment provision of this Agreement, except for permitted Security Financing Interests allowed pursuant to 6.1.1.

The provisions of Section 9.5 shall automatically terminate on the recordation of a Certificate of Completion for the Project (or applicable phase).

10. GENERAL PROVISIONS

10.1 Notice, Demands and Communication. All notices, elections, requests, acceptances, demands, instructions or other communications ("notice" or "notices") to be given to any party under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if personally served on the party to whom notice is to be given; (ii) within forty-eight (48) hours after mailing, if mailed to the party to whom notice is to be given, by first class mail which is either registered or certified, postage prepaid, return receipt requested; (iii) within twenty-four (24) hours after being deposited with a recognized private courier service (e.g. Federal Express), if delivered by a private courier service to the party to whom notice is to be given, all charges prepaid; or (iv) when sent, if given by electronic format that provides verification of successful transmission. All notices shall be properly addressed to the party receiving notice as follows:

City of Hanford:
Hanford Housing Division
317 N. Douty Street

Hanford, CA 93230

WITH COPIES TO:

City Manager
319 N. Douty Street
Hanford CA 93230

City Attorney
111 E. 7th Street
Hanford CA 93230

DEVELOPER:
Habitat for Humanity of Tulare/Kings Counties, Inc.
P.O. Box 848
Visalia, CA 93279

A party may change its address by notice given according to this subsection.

- 10.2 Conflict of Interests. No member, official, officer or employee of the Developer or the City shall have any direct or indirect interest in this Agreement, or shall participate in any decision relating to this Agreement where such interest or participation is prohibited by law. No officer, employee, or agent of the City who exercises any function or responsibility concerning the planning and carrying out of the Project, or any other person who exercises any function or responsibility concerning any aspect of this Agreement or the Project, shall have any personal financial interest, direct or indirect, in this Agreement or the Project.
- 10.2.1 Developer represents and warrants that it has not paid or given, and will not pay or give, to any third party any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, consultants, engineers and attorneys.
- 10.2.2 No contractor, subcontractor, mechanic, material man, laborer, vendor or other person hired or retained by Developer shall be, nor shall any of them be deemed to be, third-party beneficiaries of this Agreement, rather each such person shall be deemed to have agreed (a) that they shall look to Developer as their sole source of recovery if not paid; and (b) except as otherwise agreed to by the City and any such person in writing, they may not enter any claim or bring any such action against the City under any circumstances. Except as provided by law, or as otherwise agreed to in writing between the City and any such person, each such person shall be deemed to have waived in writing all right to seek redress from the City under any circumstances whatsoever.
- 10.3 Nonliability of Officials, Employees and Agents. No member, official, officer, employee or agent of the City shall be personally liable to the Developer, or any successor in interest, for any default or breach by the City.
- 10.4 Counterparts. This Agreement may be executed in counterparts, and together each executed counterpart shall constitute one (1) Agreement.

- 10.5 Waiver. A party's waiver of the other's breach of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or a different provision of this Agreement. No provision of this Agreement may be waived except in a writing signed by all the parties. Waiver of any one (1) provision shall not be deemed to be a waiver of any other provision herein.
- 10.6 Attorneys' Fees. If a party initiates or defends litigation or any legal proceeding regarding the enforcement of this Agreement, the prevailing party in such litigation or proceeding, in addition to any other relief that may be granted, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal. A party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating the action, retaining expert witnesses, taking depositions and discovery, and all other necessary costs incurred with respect to the action. All such fees shall be deemed to have accrued on commencement of the action and shall be enforceable whether or not such action is prosecuted to judgment.
- 10.7 Governing Law. This Agreement shall be interpreted and enforced, and the rights and duties of the parties under this Agreement (both procedural and substantive) shall be determined according to California law.
- 10.8 Further Assurances. Each party will take any further acts and will sign and deliver any further instruments required to carry out the intent and purposes of this Agreement.
- 10.9 Entire Understanding of the Parties. The exhibits referenced as attached are by such references incorporated into this Agreement. This Agreement, including exhibits and other documents referenced herein, are the entire understanding and agreement of the parties. All prior discussions, understandings, and written agreements are superseded by this Agreement. This Agreement shall not be modified except by written instrument duly approved as required by law and executed by authorized representatives of the parties. Should the terms of any exhibit conflict with the body of this Agreement, the body of this Agreement shall govern.
- 10.10 Consent, Reasonableness. Unless this Agreement specifically authorizes a party to withhold its approval, consent or satisfaction in its sole discretion, any consent, or approval, or satisfaction to be requested or required of a party, shall not be unreasonably withheld, conditioned or delayed.
- 10.11 Recordation. The parties hereto agree to record a memorandum of this Agreement, fully executed, in the real property records of the county in which the Property is located, in the form as shown on Exhibit "G" hereto.
- 10.12 Partial Invalidity. If any part of this Agreement is held to be invalid, void or unenforceable in any legal, equitable or arbitration proceeding, the remainder of the Agreement shall continue in effect, unless not giving effect to the invalid or unenforceable part would prevent effecting the purposes of the Project and this Agreement.
- 10.13 Ambiguity. This Agreement is the result of the combined efforts of the parties. Should any provision of this Agreement be found ambiguous, the ambiguity shall not be resolved by construing this Agreement in favor of or against any party, but by construing the terms according to their generally accepted meaning, considering the objective of the Agreement.

- 10.14 Number and Gender. Masculine, feminine or neuter gender terms and singular or plural numbers will include others when the context so indicates.
- 10.15 Headings. All headings are for convenience only, are not a part of this Agreement, and are not to be used in construing this Agreement.
- 10.16 Binding Upon Successors. This Agreement shall bind and inure to the benefit of the successors in interest, personal representatives, and assigns of each party, subject to the limitation on transfer and assignment contained in this Agreement. Any reference in this Agreement to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor, representative, or assign of the party who has acquired an interest in compliance with the terms of this Agreement, or under law.
- 10.17 Relationship of the Parties. Nothing in this Agreement, the Grant Deed, or any other document executed in connection with this Agreement shall be construed as creating a partnership, joint venture, agency, employment relationship, or similar relationship between the City and the Developer or any of the Developer's contractors, subcontractors, employees, agents, representatives, transferees, successors-in-interest or assigns. Nothing in this Agreement establishes a principal and agent relationship between the parties.
- 10.18 Nature of the Project. The Project is a private undertaking of the Developer. After the City conveys title or possession of the property to Developer, the Developer shall have exclusive control over the Property, subject to the terms of this Agreement and all applicable Federal, State and local laws, ordinances, codes, regulations, standards and policies.
- 10.19 Time of Essence. Time is of the essence of each term, condition, and covenant contained in this Agreement.
- 10.20 Survival of Provisions. Those provisions expressly surviving expiration or earlier termination, including each indemnification provision, shall survive the Closing and expiration or earlier termination of this Agreement, and shall not merge with the Grant Deed or other document evidencing any interest in real property.

SIGNATURES APPEAR ON NEXT PAGE

IN WITNESS WHEREOF, the City and Developer have executed this Agreement on the dates set forth below.

DEVELOPER:
HABITAT FOR HUMANITY OF
TULARE/KINGS COUNTIES, INC.
 A California Non-Profit Corporation

CITY:
CITY OF HANFORD,
 A Municipal Corporation

By _____
 Denise Marchant, President

By _____
 Francisco Ramirez, Mayor

Dated:

Dated:

By _____
 Josh Fox, Secretary

Dated:

The above persons to execute this agreement before a Notary Public and attach the notary acknowledgments.

ATTEST:

City Attorney

City Clerk

By _____

By _____

APPROVED AS TO FORM:

Attachments:	Exhibit A	Legal Description
	Exhibit B	Scope of Development and Basic Design
	Exhibit C	Performance Schedule
	Exhibit D	Project Budget
	Exhibit E	Certificate of Completion
	Exhibit F	Declaration of Restrictions
	Exhibit G	Memorandum of Development Covenant

EXHIBIT A**LEGAL DESCRIPTION**

The following described real property in the City of Hanford, Kings County, State of California:

Lot 4, as shown on that certain map entitled "County Tract No. 876 – Greenbrier Garden", which map was filed in the office of the County Recorder of the County of Kings, State of California on May 16, 2014, in Book 24 of Tract Maps at Page 88.

(APN 011-490-004).

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EXHIBIT B

Scope of Development
And Basic Design

Habitat for Humanity of Tulare/Kings Counties, Inc. proposes to construct one (1) new approximately one thousand, five hundred (1,500) square foot single family home consisting of four (4) bedrooms, two (2) bathrooms and a two-car garage (the "Project") to be marketed and sold to a household earning not greater than eighty percent (80%) of the most recent annual median income ("AMI") calculated and published by HUD for the Hanford Metropolitan Statistical Area applicable to such household's size.

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EXHIBIT C

Estimated Performance Schedule

Habitat projects that it will commence construction in late-2022.

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EXHIBIT D

[Estimated Construction Costs]

Based upon past projects, Habitat estimates that the cost to construct the single family residence will be approximately Two Hundred Thirty Thousand Dollars (\$230,000.00)

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EXHIBIT E

Certificate of Completion

RECORDED AT THE REQUEST OF:

City of Hanford
Attention: City Manager
319 N. Douty Street
Hanford, CA 93230

WHEN RECORDED RETURN TO:

City of Hanford
317 N. Douty Street
Hanford, CA 93230
Attn:

No Fee-Govt. Code Sections 6103-

27383

APNs: [011-490-002,
011-490-003, and 011-490-004]

(SPACE ABOVE THIS LINE FOR RECORDER'S
USE)

This **Release of Construction Covenants and Certificate of Completion** is recorded at the request and for the benefit of the City of Hanford.

- A. As agreed in a Development Covenant including covenants, conditions and restrictions, ("COVENANT") dated [00000] entered by the CITY OF HANFORD, a municipal corporation ("City"), and HABITAT FOR HUMANITY OF TULARE/KINGS COUNTIES, INC. ("DEVELOPER"), The City conveyed certain real property to DEVELOPER under a Grant Deed, dated [00000], recorded in the Official Records of Kings County on [] as Document No. [] (the "DEED"), and the DEVELOPER agreed to complete/cause the completion of the of construction of certain improvements described therein (the "Project") upon the premises described therein as the "Property" according to the terms and conditions of the COVENANT and the documents and instruments referenced therein, incorporated herein.
- B. A Memorandum of the COVENANT was recorded on [20] as Instrument No. [] in the Official Records of Kings County, California.
- C. Under the terms of the COVENANT, after DEVELOPER completes/causes completion of construction of the Project on the Property, DEVELOPER may ask the City to record an instrument certifying that DEVELOPER has completed the required improvements for

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such development in the form of a Release of Construction Covenants and Certificate of Completion.

- D. DEVELOPER has asked the City to furnish DEVELOPER with a recordable Release of Construction Covenants and Certificate of Completion for the development.
- E. The City's issuance of this Release of Construction Covenants and Certificate of Completion is conclusive evidence that DEVELOPER has completed the construction and development of the Property for purposes of releasing DEVELOPER from the construction/improvement covenants in the Covenant.

NOW THEREFORE:

1. As provided in Section 3.4 of the COVENANT, THE CITY does hereby certify that construction of all of the improvements required by the COVENANT have been satisfactorily completed.
2. This Release of Construction Covenants and Certificate of Completion shall not be deemed or construed to constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the construction of the improvements on the Property. This Release of Construction Covenants and Certificate of Completion, is not a notice of completion as referred to in Section 3093 of the California Civil Code.
3. This Release of Construction Covenants and Certificate of Completion does not terminate, amend, or affect: (i) the affordable housing covenants described in Section 7.3 (and subsections thereof) of the COVENANT; or (ii) the Declaration of Restrictions recorded on [REDACTED] 20 [REDACTED] as Instrument No. [REDACTED] in the Official Records of Kings County, California.

IN WITNESS WHEREOF, THE CITY has executed this Release of Construction Covenants and

Certificate of Completion as of this ____ day of [REDACTED], 2021.]

CITY OF HANFORD,
A municipal corporation,

By: _____
Its: _____

Owner hereby consents to recording this Certificate of Completion against the Property described herein.

Dated: _____, 2021

Habitat for Humanity of Tulare/Kings
Counties, Inc.

By: _____

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Name: Denise Marchant
Title: President

THE ABOVE PARTIES ARE TO SIGN THIS INSTRUMENT BEFORE A NOTARY PUBLIC.

ATTEST:
CITY CLERK

APPROVED AS TO FORM:
CITY ATTORNEY

By: _____

By: _____

Dated: _____

Dated: _____

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Attachment: 2021.11.10 Development Covenant - Habitat for Humanity - FINAL (Admin: Sale of Idlewood Lot to Habitat for Humanity)

EXHIBIT F

Affordability Restrictions

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CITY OF HANFORD
319 N. Douty Street
Hanford, CA 93230

(Space Above This Line for Recorder's Office)

DECLARATION OF RESTRICTIONS

THIS DECLARATION OF RESTRICTIONS, ("Declaration"), is executed as of this _____, 2021 by Habitat for Humanity of Tulare/Kings Counties, Inc., a California non-profit corporation ("Declarant") in favor of the City of Hanford, a public body corporate and politic, ("Agency").

WHEREAS, Declarant is the owner of real estate in the City of Hanford, County of Kings, State of California, which is more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property"); and

WHEREAS, Declarant acquired the Property from Agency for the purpose of constructing affordable housing; and

WHEREAS, as a condition of Agency's sale of the Property to Declarant, Declarant agreed that the Property will be subject to the restrictions contained herein; and

WHEREAS, these restrictions are intended to bind all purchasers of the homes constructed on the Property and their successors pursuant the terms contained herein.

NOW THEREFORE, in consideration of the economic benefits inuring to the Declarant and the public purposes to be achieved through the creation of affordable housing, Declarant declares that the Property is held and will be held, transferred, encumbered, used, sold, conveyed and occupied subject to the covenants, restrictions, and limitations set forth in this Declaration, all of which are declared and agreed to be in furtherance of the plan for development and sale of the Property. All of the restrictions, covenants and limitations will run with the land and will be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, will inure to the benefit of the Agency and will be enforceable by the Agency. Any purchaser under a contract of sale covering any right, title or interest in any part of the Property, by accepting a deed or a contract of sale or agreement of purchase, accepts the document subject to, and agrees to be bound by, any and all restrictions, covenant, and limitations set forth in this Declaration for the period of forty-five (45) years commencing on date first shown above ("Affordability Period").

1. Declarations. Declarant hereby declares that the Property is and shall be subject to the covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of affordable housing purposes and use and are established and agreed upon for the purpose of enhancing and protecting the value of the Property and in consideration for the economic benefits inuring to Declarant.

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2. Restrictions. The following covenants and restrictions ("Covenants and Restrictions") on the use and enjoyment of the Property shall be in addition to any other covenants and restrictions affecting the Property, and all such covenants and restrictions are for the benefit and protection of Agency, and shall run with the Property and be binding on any future owners of the Property and inure to the benefit of and be enforceable by the Agency. These covenants and restrictions are as follows:

a. Declarant covenants and agrees that from the completion date of construction until the expiration of the Affordability Period it shall cause the Property to be used for Affordable Housing. Unless otherwise provided in the Agreement, the term Affordable Housing shall include without limitation compliance with the following requirements:

b. Nondiscrimination. There shall be no discrimination against nor segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry, or handicap in the sale, transfer, use, occupancy, tenure, or enjoyment of any of the Property, nor shall Declarant or any person claiming under the Declarant, establish or permit any practice of discrimination or segregation with reference to the selection, location, number, use or occupancy of owners or vendees of the Property.

c. Principal Residence. The Property shall be sold or otherwise transferred only to natural persons, who shall occupy the Property as the transferee's principal residence. The foregoing requirement that the purchaser of each home constituting the Property occupy the home as the purchaser's principal residence does not apply to: (i) Declarant; (ii) persons, other than natural persons, who acquire the Property or portion thereof by foreclosure or deed in lieu of foreclosure; or (iii) qualified entities that acquire the Property or portion thereof, with the consent of Agency.

d. Homeowner Income and Affordability Requirements.

(1) During the Affordability Period, the residence located on the Property may be conveyed to and occupied only by natural person(s) whose annual household income at the time is not greater than eighty percent (80%) of the most recent annual median income calculated and published by HUD for the Hanford Metropolitan Statistical Area applicable to such household's size ("Low Income Households"), and at an affordable price which allows monthly housing payments (principal, interest, taxes and insurance) of not more than thirty percent (30%) of the household's gross income ("Affordability Restrictions"). Except as otherwise provided herein, any transfer of the residence in violation of the Affordability Restrictions shall be void

(2) At least fifteen (15) days prior to the sale of the residence located on the Property, the seller shall submit to Agency documents and information confirming that the proposed sale and the purchaser conform to the Affordability Restrictions. Such material will include, without limitation, the following:

- Name, age, and contact information for the purchaser(s).
- Name and age of other household members who will occupy the residence and description of each member's relationship to the purchaser(s).

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- Annual gross income and the source(s) of income for each member of the household.
 - Description and value of the household's liquid assets, including, without limitation, checking accounts, savings accounts, investment accounts, interest income, dividends, and rental income.
 - Copies of most recent three (3) years of federal income tax returns and W-2s for each adult member of the household.
 - Copies of check stubs for the past two months for adult members of the household.
 - Statements for savings, checking, and investments accounts for the most recent six months.
 - Proof of other types of recurring income (e.g., child and/or spousal support payments, VA benefits, and SSA benefits).
- (3) If, during the term of this Declaration of Restrictions, an owner desires to sell his/her residence on terms that would violate the Affordability Restrictions, the seller may terminate this Declaration of Restrictions as to the owner's home by paying an equity share amount to Agency equal to twenty percent (20%) of the net sales price on the date title to the residence is transferred or the date of close of escrow for the transfer, whichever is earlier. The net sales price shall be calculated based on the gross sales price at the time of the transfer, less existing mortgages, financing instruments from unrelated parties, the value of deferred secondary loans, the reasonable costs of sale, the reasonable costs of improvements made by the owner, and other amounts that the owner is allowed to recover pursuant to 24 CFR § 203.41(d)(1).

Upon payment of the equity share to Agency, this Declaration of Restrictions shall cease to apply to the residence for which the equity share was paid; provided however, this Declaration of Restrictions shall continue in effect with respect to the remainder of the Property.

3. Enforcement of Restriction. Without waiver or limitation, in the event Declarant or any of its successors breaches this Declaration and such default is not cured within thirty (30) days after the date of written notice from Agency, the remedies of Agency shall include, but are not limited to, any of the following:

- a. Applying to any court for specific performance of any of the obligations herein set forth;
- b. Suit against the defaulting party for damages;
- c. If the residence is occupied by a household in violation of this Declaration of Restrictions, Agency reserves the right to refuse and may terminate City-provided utility services to such

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residence and may declare the residence a public nuisance under Title 17 of the Hanford Municipal Code until such time as the breach is eliminated; and/or

d. Such other relief as may be appropriate.

4. Exceptions. The following transfers of title to any lot comprising the Property or any interest therein are not subject to the Affordability Restriction:

a. Transfer by gift, devise or inheritance to the spouse, issue or adopted child of the owner of the Property;

b. Transfer resulting from the death of an owner when the transfer is to a co-owner or joint tenant;

c. Transfer by an owner to any person who becomes a co-owner of the Property provided the transferor retains at least a thirty-three percent (33%) interest in the residence and the co-owner is income eligible in accordance with this Declaration and acknowledges in writing that he/she/they are subject to this Declaration;

d. Transfer of title to a spouse resulting from divorce, decree of dissolution or legal separation or from a property settlement agreement incidental to such a decree in which one of the owners becomes the sole owner; or acquisition of title to the Property or interest therein in conjunction with marriage; a transfer between co-owners or a transfer by an owner into an inter vivos trust in which the owner is a beneficiary and the owner continues to occupy the residence.

Notwithstanding the foregoing exceptions, the residence, which is transferred in accordance with this Section 4, including all interests held therein, will remain subject to this Declaration of Restrictions for the duration of the Affordability Period and future sales will be subject to the Covenants and Restrictions identified above.

5. Acceptance and Ratification. All present and future owners of the Property and other persons claiming by, through, or under them shall be subject to and shall comply with the Covenant and Restrictions. The acceptance of a deed of conveyance to the Property shall constitute an agreement that the Covenants and Restrictions, as may be amended or supplemented from time to time, are accepted and ratified by such future owner, tenant or occupant, and such Covenants and Restrictions shall be covenants running with the land and shall bind any person having, at any time, any interest or estate in the Property, all as though such Covenants and Restrictions were recited and stipulated at length in each and every deed, conveyance, mortgage, or lease thereof.

7. Benefit. This Declaration shall run with and bind the Property for a term commencing on the date this Declaration is recorded in the Office of the Recorder of the County of Kings, State of California, and expiring upon the expiration of the Affordability Period. The failure or delay at any time of Agency or any other person entitled to enforce this Declaration shall in no event be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

8. Costs and Attorneys' Fees. In any proceeding arising because of failure of Declarant or any future owner of the Property to comply with the Covenants and Restrictions, as may be

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amended from time to time, Agency shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with such default or failure.

9. Waiver. Neither Declarant nor any future owner of the Property may exempt itself from liability for failure to comply with the Covenants and Restrictions required in the Declaration.

10. Severability. The invalidity of the Covenants and Restrictions or any other covenant, restriction, condition, limitation, or other provision of this Declaration shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Declaration and each shall be enforceable to the greatest extent permitted by law.

11. Pronouns. Any reference to the masculine, feminine, or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.

12. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs, and subparagraphs of this Declaration are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Declaration or any provision hereof.

13. Amendment. No amendment or modification of this Declaration shall be permitted without the prior written consent of Agency.

14. Recordation. Declarant acknowledges that this Declaration will be filed of record in the Office of the Recorder of the County of Kings, State of California.

15. Capitalized Terms. All capitalized terms used in this Declaration, unless otherwise defined herein, shall have the meanings assigned to such terms in that certain Agreement by and between Declarant and Agency, of even date.

16. Heading. The headings of the articles, sections, and paragraphs used in this Agreement are for convenience only and shall not be read or construed to affect the meaning or construction of any provision.

17. Conflict. Should the terms of this Declaration of Restrictions conflict with the Development Covenant executed by Declarant and Agency or any other document executed by the parties, the provisions of this Declaration of Restrictions shall control.

18. Notices. All notices, elections, requests, acceptances, demands, instructions or other communications ("notice" or "notices") to be given to any party under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if personally served on the party to whom notice is to be given; (ii) within forty-eight (48) hours after mailing, if mailed to the party to whom notice is to be given, by first class mail which is either registered or certified, postage prepaid, return receipt requested; (iii) within twenty-four (24) hours after being deposited with a recognized private courier service (e.g. Federal Express), if delivered by a private courier service to the party to whom notice is to be given, all charges prepaid; or (iv) when sent, if given by electronic format that provides verification of successful transmission. All notices shall be properly addressed to the party receiving notice as follows:

To AGENCY:

City of Hanford

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Hanford Housing Division
317 N. Douty Street
Hanford, CA 93230

WITH COPIES TO:

City Manager
319 N. Douty Street
Hanford CA 93230

City Attorney
111 E. 7th Street
Hanford CA 93230

To DEVELOPER:
Habitat for Humanity of Tulare/Kings Counties, Inc.
Attention: Director of Real Estate Development
P.O. Box 848
Visalia, CA 93279

IN WITNESS WHEREOF, Declarant and Agency have executed this Declaration of Restrictions on the date first written above.

DECLARANT:
HABITAT FOR HUMANITY OF
TULARE/KINGS COUNTIES, INC.
A California Non-Profit Corporation

AGENCY:
CITY OF HANFORD ,
A Municipal Corporation

By _____
Denise Marchant, President
Dated: _____

By _____
Francisco Ramirez, Mayor
Dated: _____

By _____
Josh Fox, Secretary
Dated: _____

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Attachment: 2021.11.10 Development Covenant - Habitat for Humanity - FINAL (Admin: Sale of Idlewood Lot to Habitat for Humanity)

STATE OF CALIFORNIA)
) SS
COUNTY OF _____)

NOTARY PUBLIC

#

STATE OF CALIFORNIA)
) SS
COUNTY OF _____)

NOTARY PUBLIC

Packet Pg. 118

Packet Pg. 119

EXHIBIT G

MEMORANDUM OF DEVELOPMENT COVENANT

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Hanford
319 N. Douty Street
Hanford, CA 93230

(space ABOVE LINE reserved for RECORDER's USE ONLY)

MEMORANDUM OF DEVELOPMENT COVENANT

This Memorandum of Development Covenant ("**Memorandum**") is made as of month __, year __, by and between City of Hanford, a municipal corporation, ("**City**"), and Habitat for Humanity of Tulare/Kings Counties, Inc., a California non-profit corporation ("**Developer**").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. THE CITY and Developer have entered into that certain Development Covenant dated as of even date herewith (the "**Covenant**"), pursuant to which, *inter alia*, Developer has agreed to complete certain development obligations, as more particularly described in the Covenant.
2. The sole purpose of this Memorandum is to give notice of the Covenant in the public records. This Memorandum does not provide a complete summary of the Covenant and in no way modifies the provisions of the Covenant, all of which provisions are specifically made a part hereof as fully and completely as if set out in full herein.
3. This Memorandum shall be binding upon, and shall inure to the benefit of, the parties hereto, and their respective legal representatives, successors and assigns.
4. This Memorandum shall be recorded in the real property records of the County of Kings, California.
5. This Memorandum may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
6. This Memorandum shall terminate upon Completion of Construction in accordance with the provisions of Section 3.4 of the Covenant and the sale of the completed Project to households earning not greater than eighty percent (80%) AMI in accordance with the provisions of Section 4.1 of the Covenant.

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IN WITNESS WHEREOF, the parties have executed this Memorandum on the day and year first above written.

CITY:

CITY OF HANFORD, a municipal corporation,

By: _____

Name: Francisco Ramirez

Its: Mayor

Dated: _____

DEVELOPER:

Habitat for Humanity of Tulare/Kings Counties, Inc., a California non-profit corporation

By: _____

Denise Marchant, President

Dated: _____

By: _____

Josh Fox, Secretary

Dated: _____

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#

STATE OF CALIFORNIA)
)ss
COUNTY OF _____)

Notary Public

#

STATE OF CALIFORNIA)
)ss
COUNTY OF _____)

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

(SEAL)

#

#

#

STATE OF CALIFORNIA)
)ss
COUNTY OF _____)

Notary Public

#



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: F
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SUBJECT:

Community Development: Approval of the Second reading and adoption of Ordinances 21-07 through 21-13, approving Prezone No. 2021-01 through -03 and 2021-05 through -08, a request to prezone the county islands, in accordance with their General Plan Designation. Location: Seven County Islands, various locations.

See staff report, attached.

FISCAL IMPACT:

ATTACHMENTS:

Staff Report - 2nd Reading of Prezones
 Ordinance 21-07 Prezone 2021-01
 Ordinance 21-08 Prezone 2021-02
 Ordinance 21-09 Prezone 2021-03
 Ordinance 21-10 Prezone 2021-05
 Ordinance 21-11 Prezone 2021-06
 Ordinance 21-12 Prezone 2021-07
 Ordinance 21-13 Prezone 2021-08



**CITY OF HANFORD
CITY COUNCIL**

MEETING DATE: November 16, 2021

RECOMMENDATION

Staff recommends the City Council:

1. Waive and adopt the second reading of Ordinance 21-07, approving Prezone No. 2021-01.
2. Waive and adopt the second reading of Ordinance 21-08, approving Prezone No. 2021-02.
3. Waive and adopt the second reading of Ordinance 21-09, approving Prezone No. 2021-03.
4. Waive and adopt the second reading of Ordinance 21-10, approving Prezone No. 2021-05.
5. Waive and adopt the second reading of Ordinance 21-11, approving Prezone No. 2021-06.
6. Waive and adopt the second reading of Ordinance 21-12, approving Prezone No. 2021-07.
7. Waive and adopt the second reading of Ordinance 21-13, approving Prezone No. 2021-08.

RECOMMENDED MOTION

1. I move to waive and adopt the second reading of Ordinance 21-07, approving Prezone No. 2021-01.
2. I move to waive and adopt the second reading of Ordinance 21-08, approving Prezone No. 2021-02.
3. I move to waive and adopt the second reading of Ordinance 21-09, approving Prezone No. 2021-03.
4. I move to waive and adopt the second reading of Ordinance 21-10, approving Prezone No. 2021-05.
5. I move to waive and adopt the second reading of Ordinance 21-11, approving Prezone No. 2021-06.
6. I move to waive and adopt the second reading of Ordinance 21-12, approving Prezone No. 2021-07.
7. I move to waive and adopt the second reading of Ordinance 21-13, approving Prezone No. 2021-08.

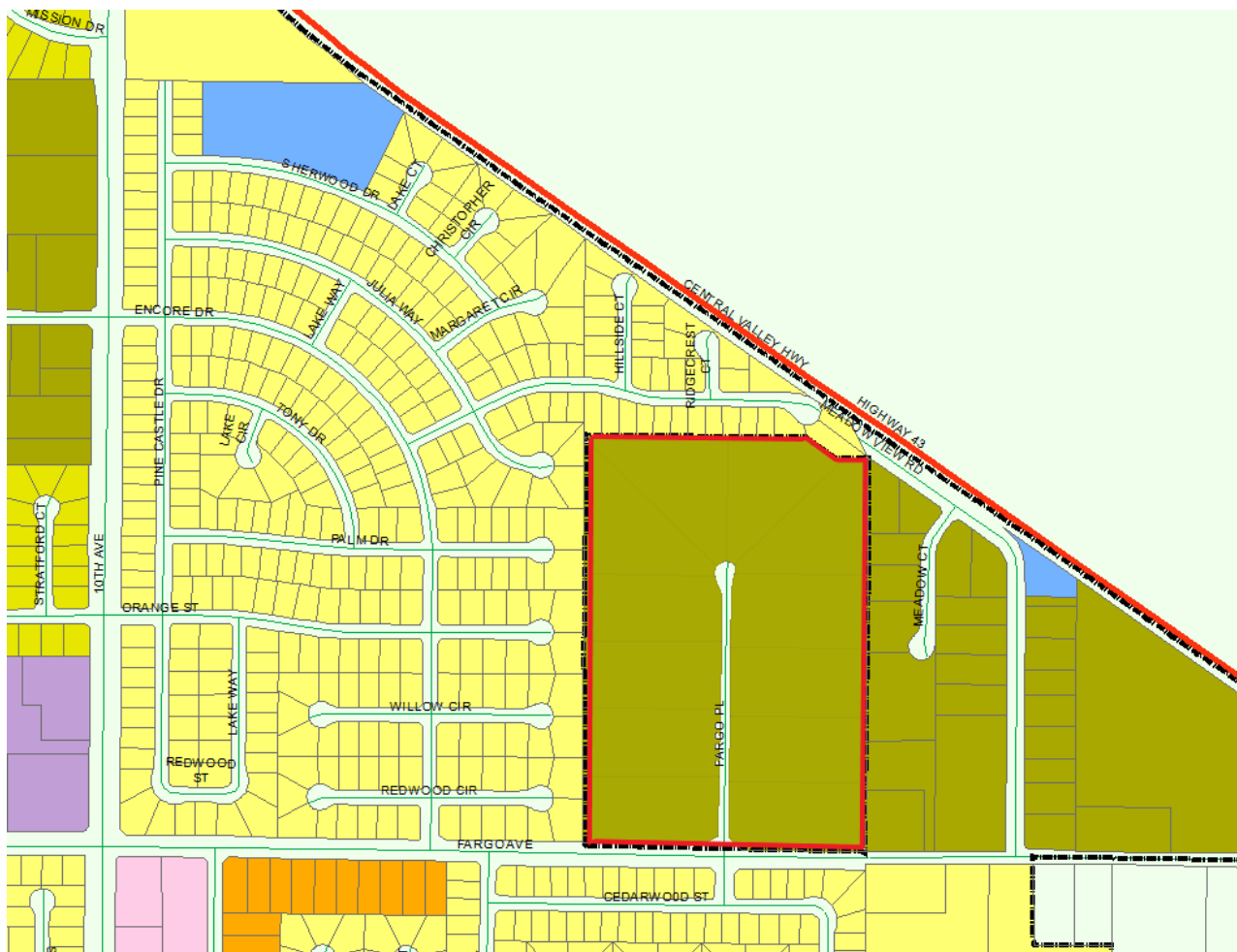
BACKGROUND

On November 2, 2021, the City Council held a public hearing for Annexation 160 (Part 1-3 and 5-8) and Prezone 2021-01 through -03 and 2021-05 through -08, and introduced the ordinance and waived the first reading for the proposed project.

Prezone No. 2021-01

Prezone No. 2021-01 is a request to prezone Island #1, as R-L-12 Low Density Residential, in accordance with the General Plan land use designation for the island, Low Density Residential.

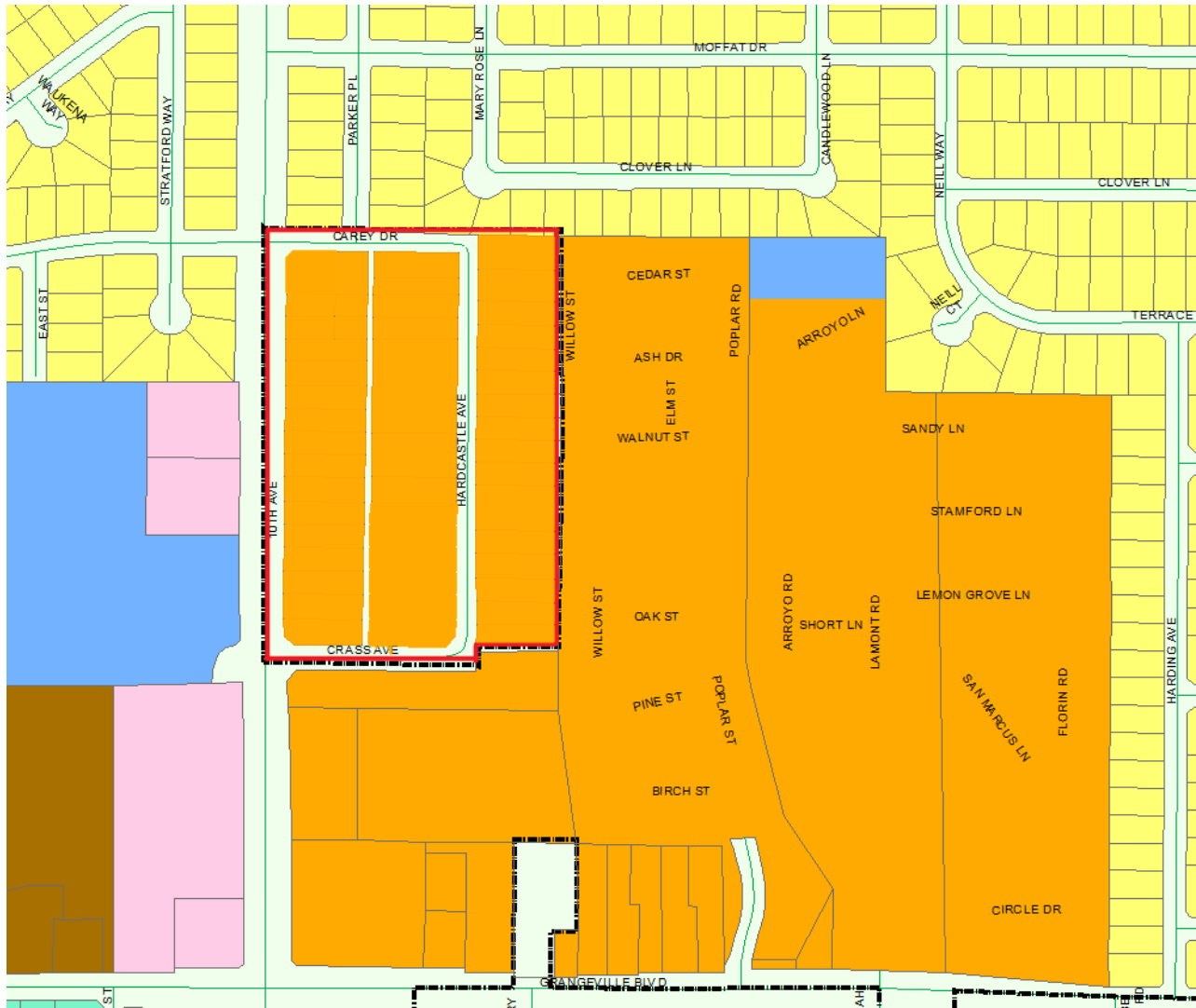
Proposed Prezone Area #1 Fargo Place
General Plan Designation – Low Density Residential
Proposed Prezoning to Low Density Residential, 12,000 sq.ft. min. (R-L-12)



Prezone No. 2021-02

Prezone No. 2021-02 is a request to prezone Island #2, as R-M Medium Density Residential, in accordance with the General Plan land use designation for the island, Medium Density Residential.

Proposed Prezone Area #2 Hazelwood
 General Plan Designation – Medium Density Residential
 Proposed Prezoning to Medium Density Residential (R-M)



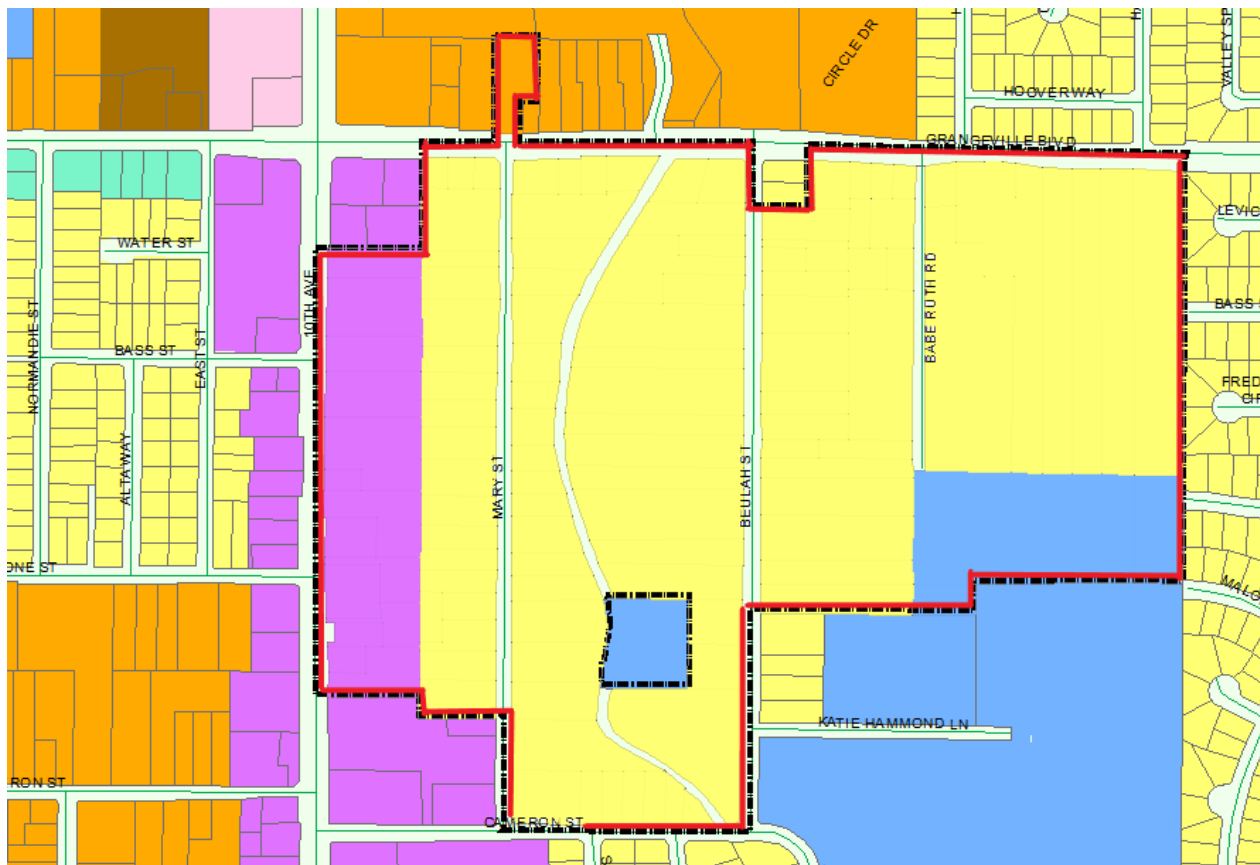
Prezone No. 2021-03

Prezone No. 2021-03 is a request to prezone Island #3, as a combination of R-L-5 Low Density Residential, R-M Medium Density Residential, MX-C Corridor Mixed Use, and P-F Public Facility, in accordance the General Plan land use designation for the island, Low Density Residential, Medium Density Residential, Corridor Mixed Use, and Educational Facilities.

Proposed Prezone Area #3 Crowell's

General Plan Designation - Low Density Residential, Medium Density Residential, Corridor Mixed Use, and Educational Facilities

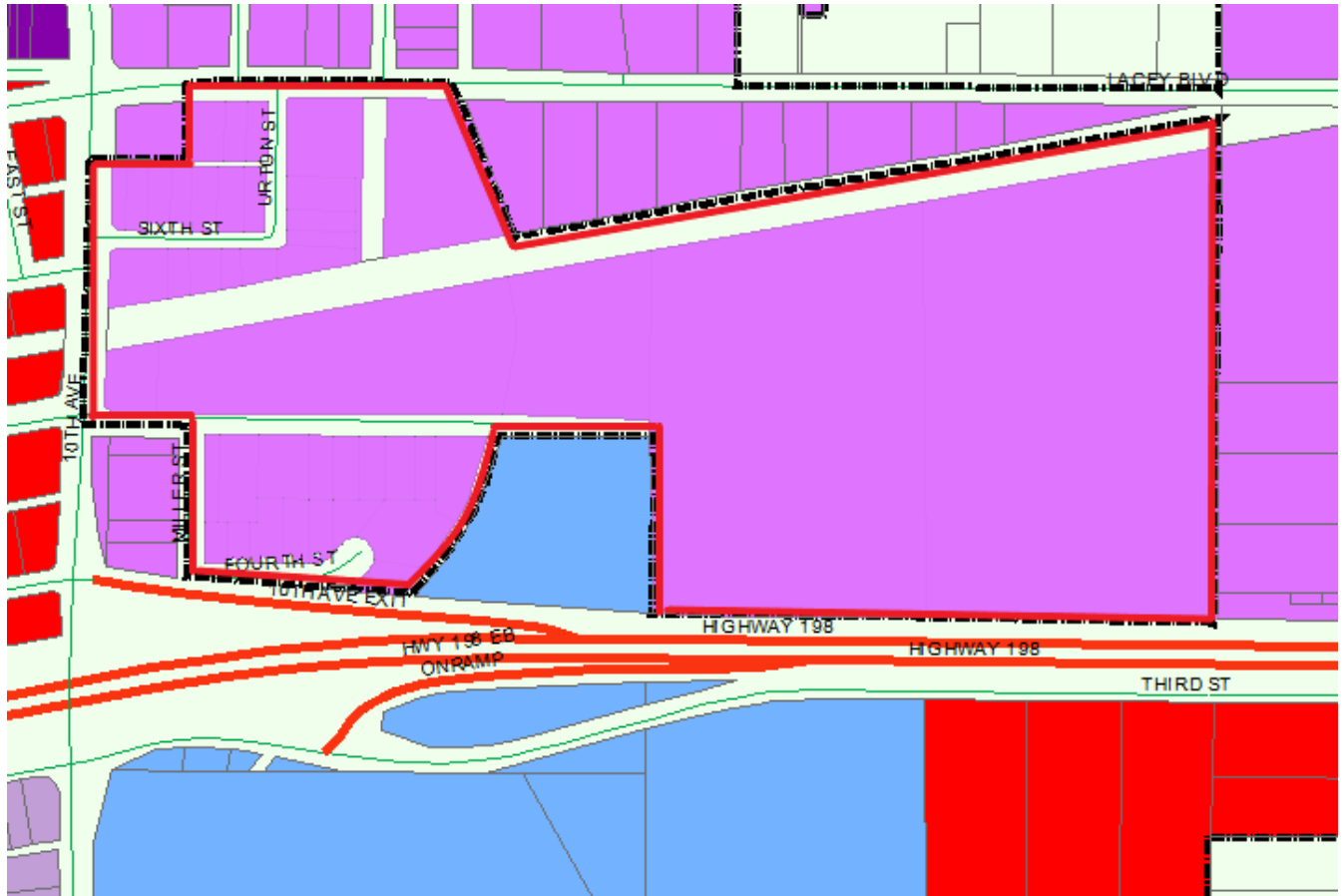
Proposed Prezoning to Low Density Residential, 5,000 sq. ft. min. (R-L-5), Medium Density Residential (R-M), Corridor Mixed Use (MX-C), and Public Facilities (PF)



Prezone No. 2021-05

Prezone No. 2021-05 is a request to prezone Island #5, as MX-C Corridor Mixed Use, in accordance with the General Plan land use designation for the island, Corridor Mixed Use.

Proposed Prezone Area #5 South East Hanford
 General Plan Designation – Corridor Mixed Use
 Proposed Prezoning to Corridor Mixed Use (MX-C)

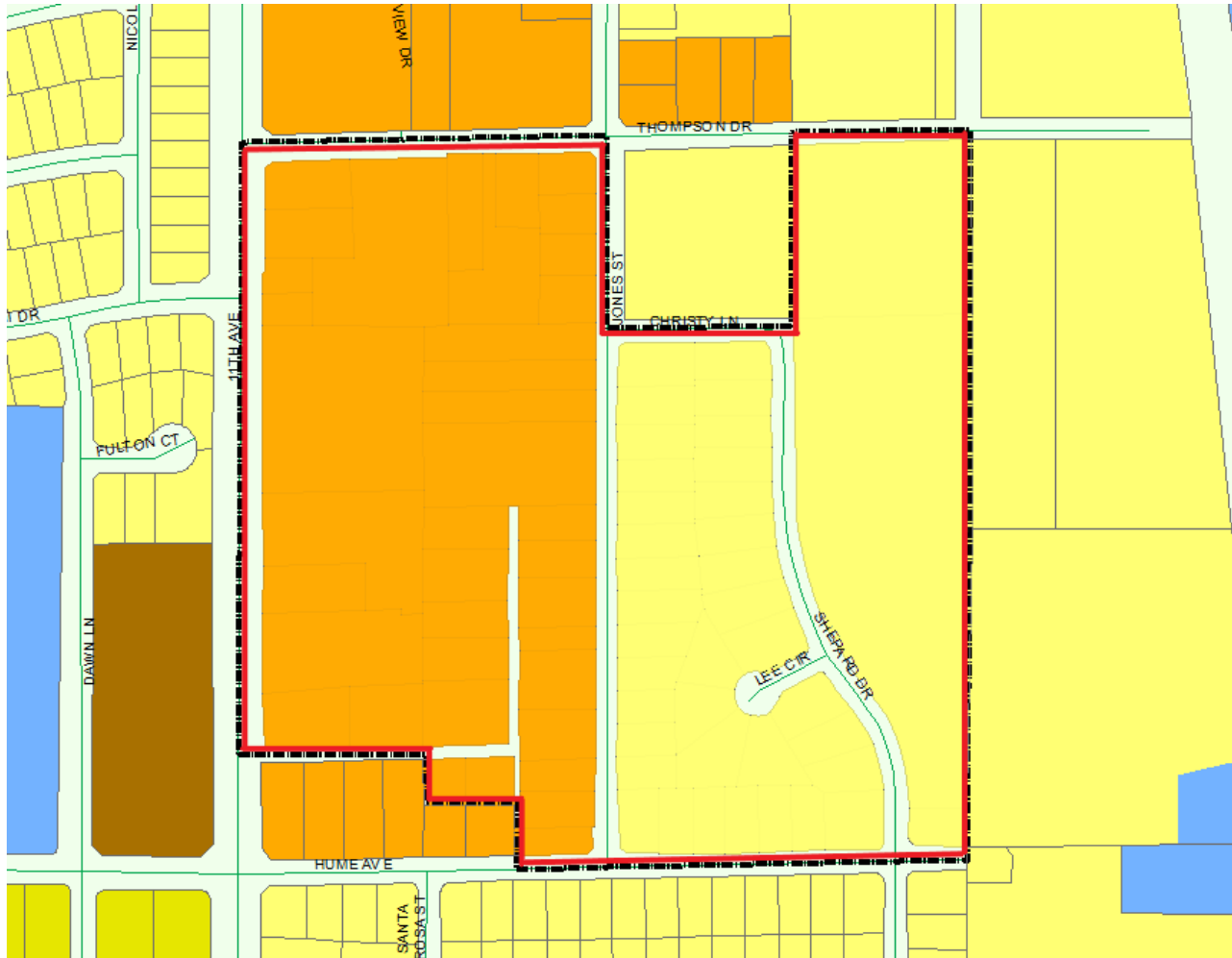


Prezone No. 2021-06

Prezone No. 2021-06 is a request to prezone Island #6, as R-L-5 Low Density and R-M Medium Density Residential, in accordance with the General Plan land use designation for the island, Low Density Residential and Medium Density Residential.

Proposed Prezone Area #6 Thompson Colony

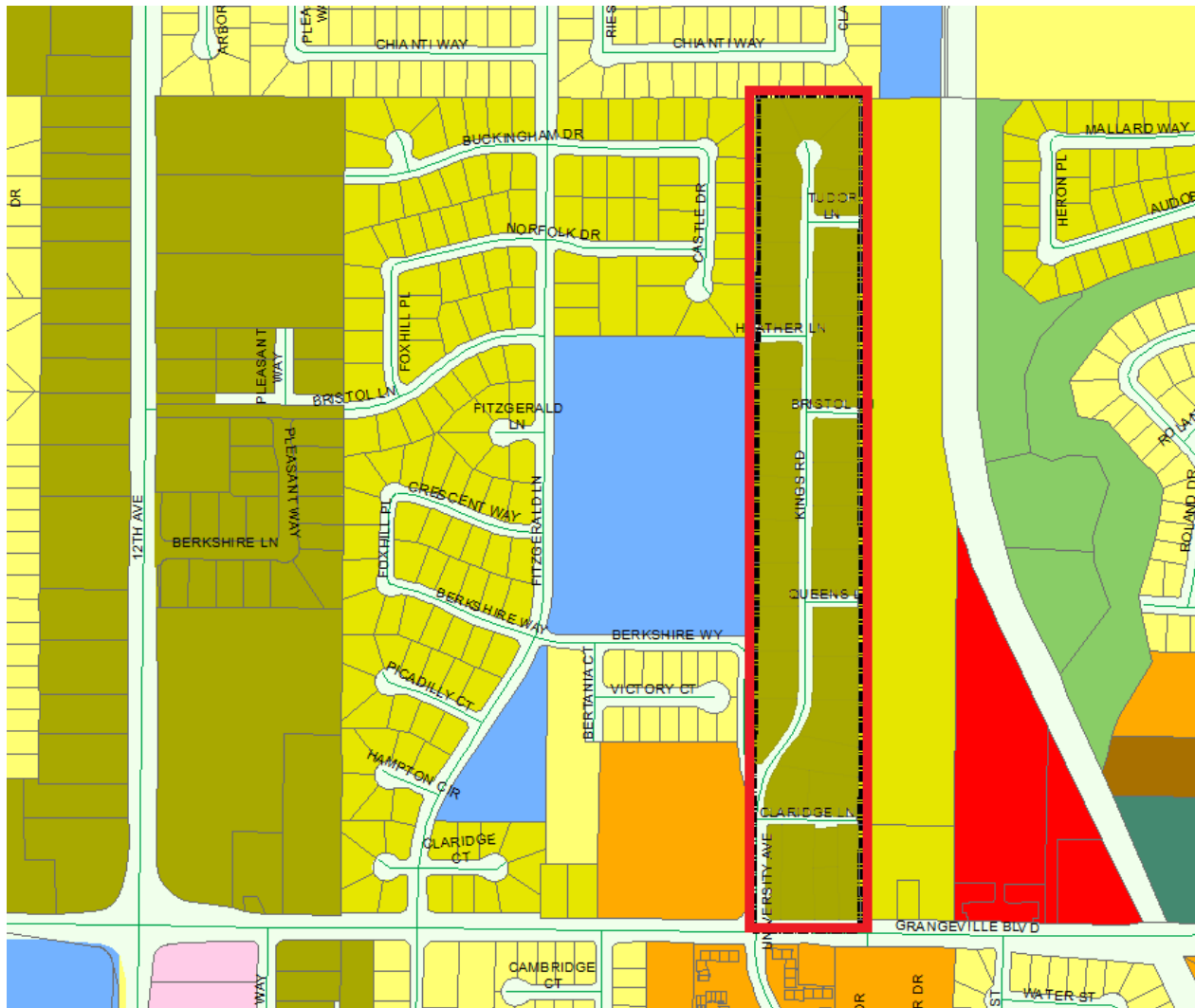
General Plan Designation – Low Density Residential and Medium Density Residential
Proposed Prezoning to Low Density Residential, 5,000 sq. ft. min. (R-L-5) and Medium Density Residential (R-M)



Prezone No. 2021-07

Prezone No. 2021-07 is a request to prezone Island #7, as R-L-12 Low-Density Residential, in accordance with the General Plan land use designation for the island, Low Density Residential.

Figure 13: Proposed Prezone Area #7 Windsor Estates
 General Plan Designation – Low Density Residential
 Proposed Prezoning to Low Density Residential, 12,000 sq. ft. min. (R-L-12)



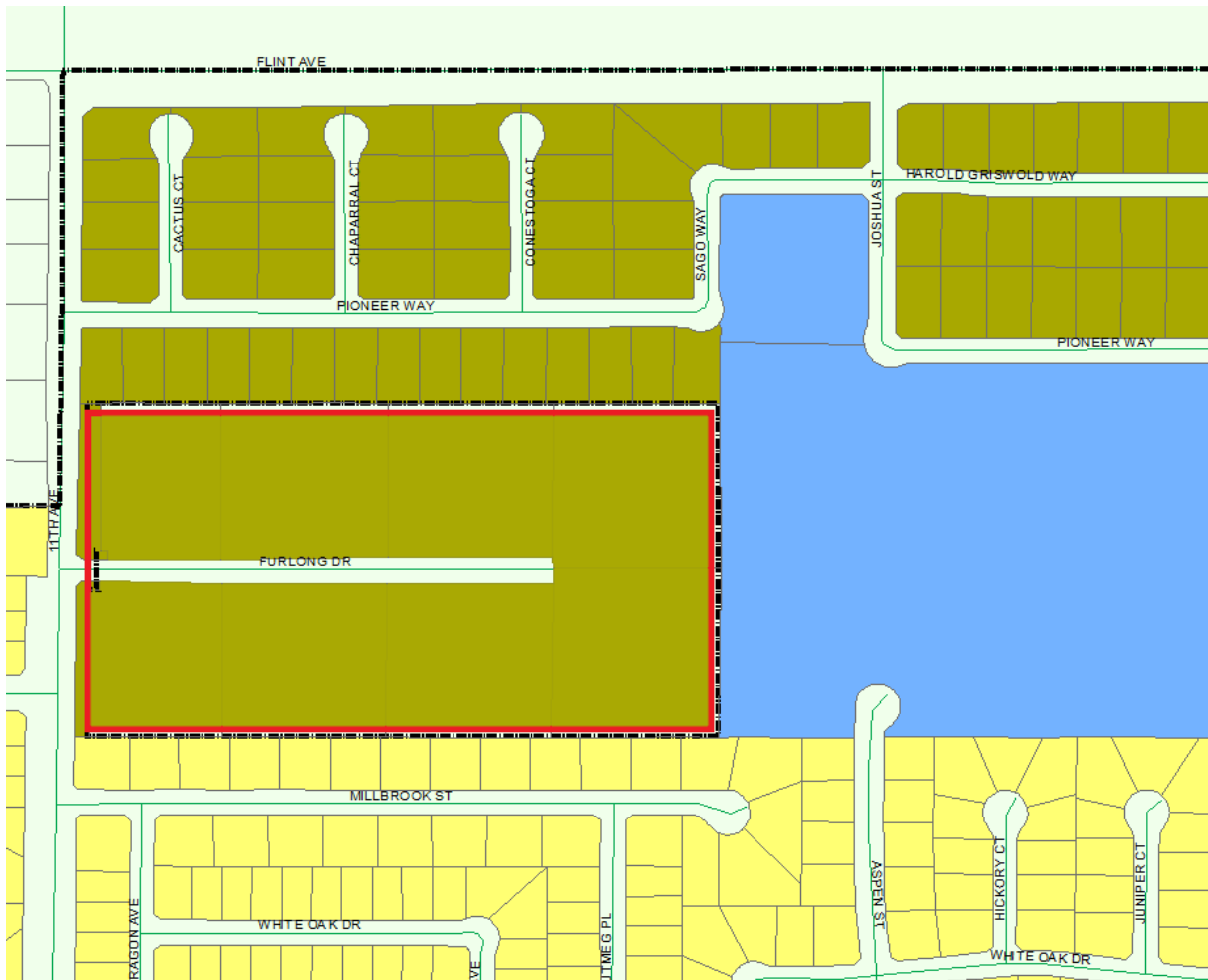
Prezone No. 2021-08

Prezone No. 2021-08 is a request to prezone Island #8, as R-L-12 Low Density Residential, in accordance with the General Plan land use designation for the island, Low Density Residential.

Proposed Prezone Area #8 Furlong

General Plan Designation – Low Density Residential

Proposed Prezoning to Low Density Residential, 12,000 sq. ft. min. (R-L-12)

**FINDINGS FOR APPROVAL**

All findings were made by the City Council, in accordance with Section 17.86.030 of the Hanford Municipal Code.

1. That the amendment is internally consistent with the goals, objectives, and policies of the General Plan and the Municipal Code.

Analysis: Prezone No. 2021-01 through -03 and -05 through -08 is internally consistent with the goals, objectives, and policies of the General Plan, specifically consistent with Land Use Policies L15, L16, and L17. There is not a plan for development at this time. Most of the

parcels proposed for annexation are already developed at the densities consistent with the proposed rezoning.

2. That the amendment would not be detrimental to the public health, safety, or welfare of the community.

Analysis: There is no evidence that annexation of the county islands into the city limits would negatively affect health, safety, or welfare. On the contrary, the coordination of services between the City and County will be improved by reducing inefficiencies through annexation.

3. That the amendment would maintain the appropriate balance of land uses within the City.

Analysis: The proposed rezoning is consistent with the land use designations established in the General Plan.

4. That the anticipated land uses on the subject site would be compatible with existing and future surrounding uses.

Analysis: It is anticipated that the few undeveloped sites in the county island areas will eventually develop in a manner consistent with the proposed rezoning. Most of the sites are already developed, and those uses appear to be consistent with the proposed rezoning.

ORDINANCE NO. 21-07
PREZONE NO. 2021-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING ANNEXATION 160, PART 1 AS R-L-12, LOW-DENSITY RESIDENTIAL, IN ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE PROJECT SITE, LOW-DENSITY RESIDENTIAL. THE PROJECT IS LOCATED NORTH OF FARGO AVENUE AND SOUTH OF HIGHWAY 43 (APN 014-400-001 – THROUGH -012)

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 1 filed by the City of Hanford

FROM: County zoning of RR Rural Residential

TO: City zoning R-L-12 Low-Density Residential

On property described as follows:

Approximately 32.44 acres generally located on the north of Fargo Avenue and southwest of Highway 43 (APN 014-400-001 through -012), as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

Natalie Corral
City Clerk

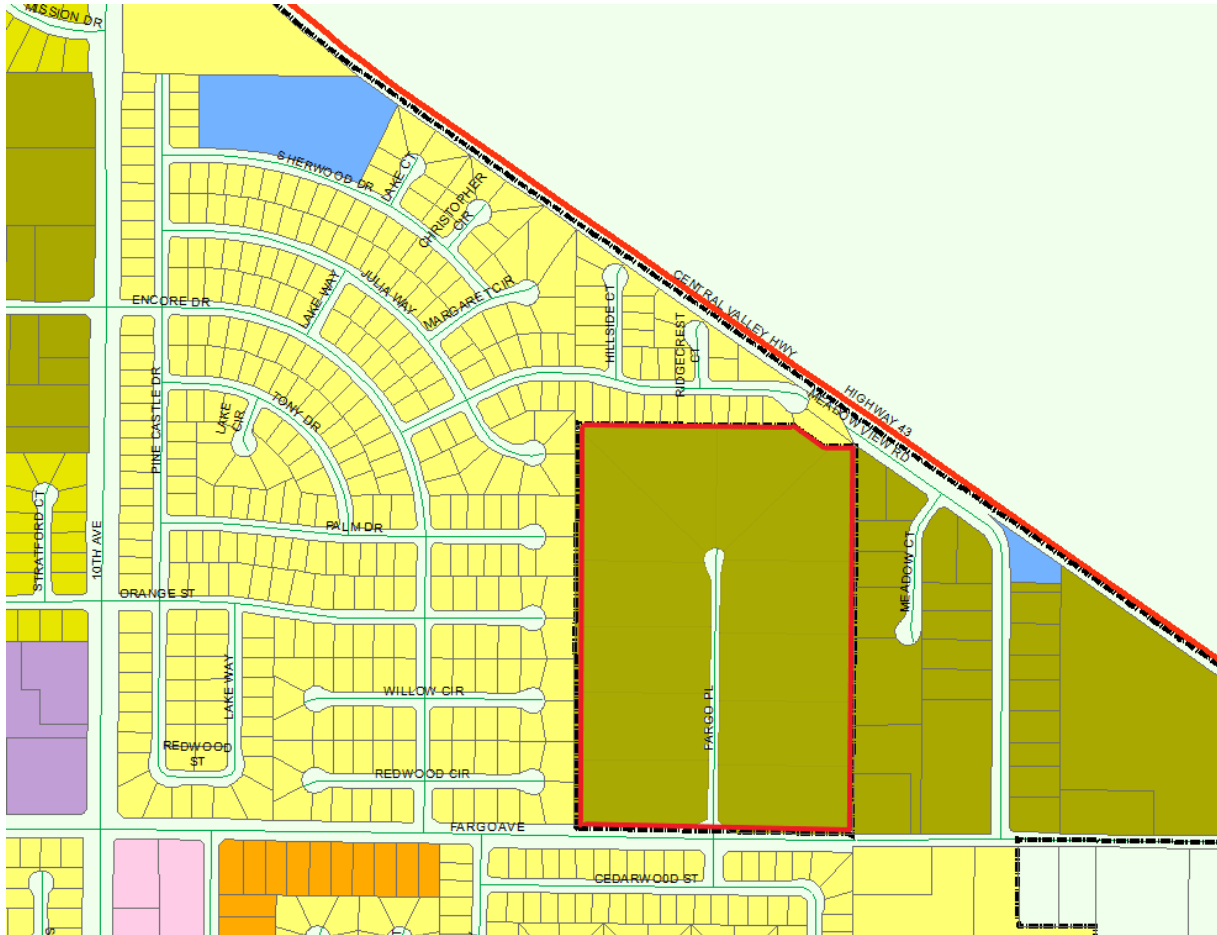
Attachment: Ordinance 21-07 Prezone 2021-01 (CD: 2nd Reading of Island Annexation Prezoning)

Exhibit A

Prezone No. 2021-01

Prezone 2021-01

General Plan Designation – Low Density Residential
 Rezoning to (R-L-12) Low Density Residential, 12,000 sq ft. min.



Attachment: Ordinance 21-07 Prezone 2021-01 (CD: 2nd Reading of Island Annexation Rezoning)

ORDINANCE NO. 21-08
PREZONE NO. 2021-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING ANNEXATION 160, PART 2 AS R-M MEDIUM-DENSITY RESIDENTIAL, IN ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE PROJECT SITE, MEDIUM-DENSITY RESIDENTIAL. THE PROJECT IS LOCATED EAST OF 10TH AVENUE, NORTH OF CRASS AVENUE.

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 2 filed by the City of Hanford

FROM: County zoning of R-1-6 and CN

TO: City zoning R-M Medium-Density Residential

On property described as follows:

Approximately 13.70 acres generally located on the east of 10th Avenue, north of Crass Avenue, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Attachment: Ordinance 21-08 Prezone 2021-02 (CD: 2nd Reading of Island Annexation Prezoning)

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral

CITY CLERK

STATE OF CALIFORNIA)

COUNTY OF KINGS) ss

CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

Natalie Corral

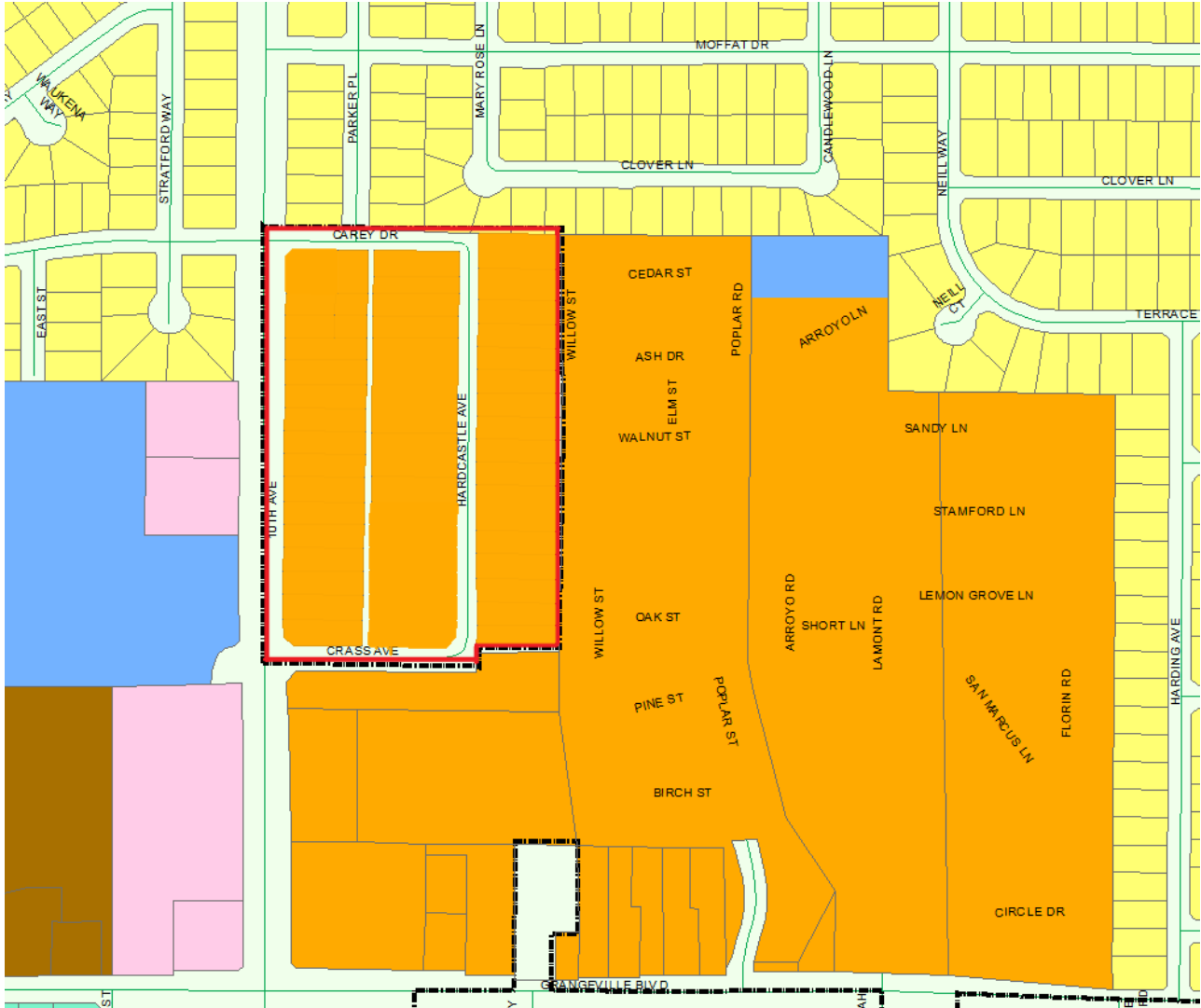
City Clerk

Attachment: Ordinance 21-08 Prezone 2021-02 (CD: 2nd Reading of Island Annexation Prezoning)

Exhibit A

Prezone No. 2021-02

Prezone 2021-02
General Plan Designation – Medium-Density Residential
Prezoning to R-M Medium-Density Residential



Attachment: Ordinance 21-08 Prezone 2021-02 (CD: 2nd Reading of Island Annexation Prezoning)

ORDINANCE NO. 21-09
PREZONE NO. 2021-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING ANNEXATION 160, PART 3 AS R-L-5 LOW-DENSITY RESIDENTIAL, R-M MEDIUM-DENSITY RESIDENTIAL, MX-C CORRIDOR MIXED USE, AND P-F PUBLIC FACILITY, IN ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE AREA. THE PROJECT IS GENERALLY LOCATED EAST OF 10TH AVENUE, SOUTH OF GRANGEVILLE BOULEVARD.

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 3 filed by the City of Hanford

FROM: County zoning of CN, RRE, RM-2, R-1-6, and PF

TO: City zoning R-L-5 Low-Density Residential, R-M Medium-Density Residential, MX-C Corridor Mixed Use, and PF Public Facility.

On property described as follows:

Approximately 97.8 acres generally located on the east of 10th Avenue, south of Grangeville, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such

property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

Natalie Corral
City Clerk

Attachment: Ordinance 21-09 Prezone 2021-03 (CD: 2nd Reading of Island Annexation Prezoning)

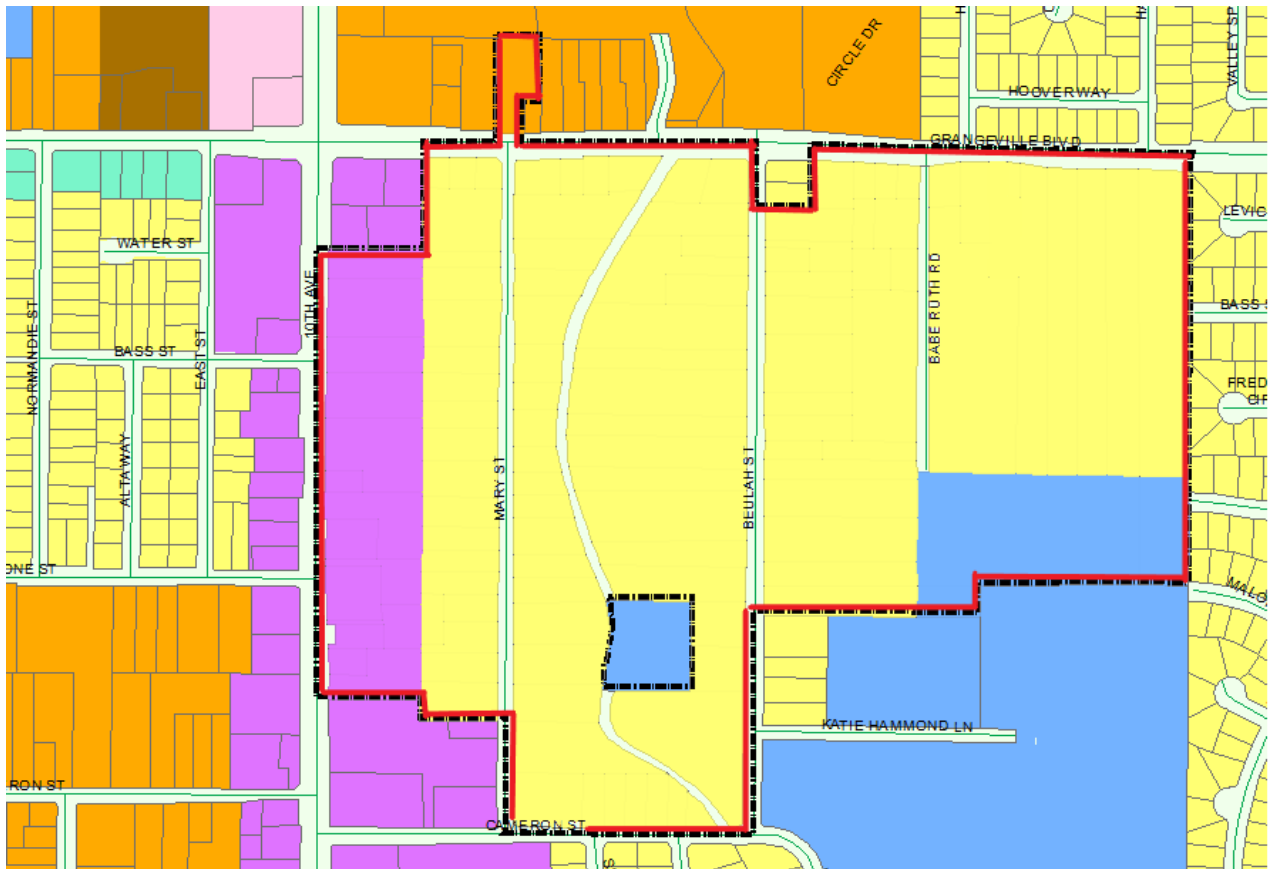
Exhibit A

Prezone No. 2021-03

Prezone 2021-03

General Plan Designation – Medium-Density Residential, Corridor Mixed Use, Low-Density Residential, and Educational Facilities

Prezoning to R-M Medium-Density Residential, MX-C Corridor Mixed Use, R-L-5 Low-Density Residential, and PF Public Facilities



Attachment: Ordinance 21-09 Prezone 2021-03 (CD: 2nd Reading of Island Annexation Prezoning)

ORDINANCE NO. 21-10
PREZONE NO. 2021-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING ANNEXATION 160, PART 5 AS MX-C CORRIDOR MIXED, IN ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE AREA. THE PROJECT IS GENERALLY LOCATED EAST OF 10TH AVENUE, SOUTH OF LACEY BOULEVARD.

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 5 filed by the City of Hanford

FROM: County zoning of CS, IL, and IH

TO: City zoning MX-C Corridor Mixed Use

On property described as follows:

Approximately 56.6 acres generally located on the east of 10th Avenue, south of Lacey Boulevard, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Attachment: Ordinance 21-10 Prezone 2021-05 (CD: 2nd Reading of Island Annexation Prezoning)

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral

CITY CLERK

STATE OF CALIFORNIA)

COUNTY OF KINGS) ss

CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

Natalie Corral

City Clerk

Attachment: Ordinance 21-10 Prezone 2021-05 (CD: 2nd Reading of Island Annexation Prezoning)

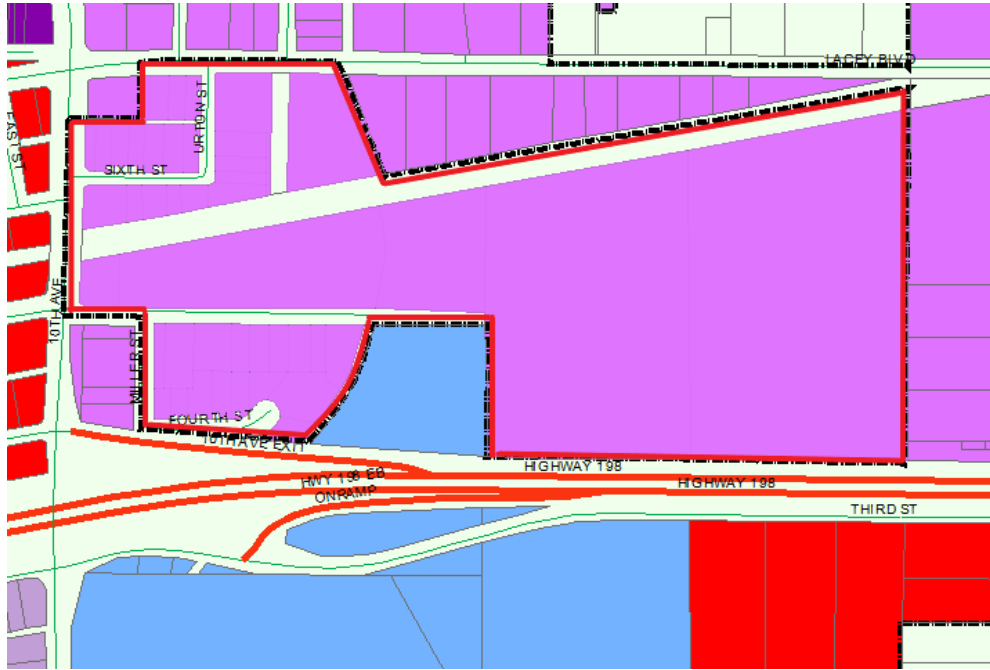
Exhibit A

Prezone No. 2021-05

Prezone 2021-05

General Plan Designation – Corridor Mixed Use

Prezoning to MX-C Corridor Mixed Use



Attachment: Ordinance 21-10 Prezone 2021-05 (CD: 2nd Reading of Island Annexation Prezoning)

ORDINANCE NO. 21-11
PREZONE NO. 2021-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING ANNEXATION 160, PART 6 AS R-L-5 LOW-DENSITY RESIDENTIAL AND R-M MEDIUM-DENSITY RESIDENTIAL, IN ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE AREA. THE PROJECT IS GENERALLY LOCATED EAST OF 11TH AVENUE, BETWEEN THOMPSON DRIVE AND HUME AVENUE.

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 6 filed by the City of Hanford

FROM: County zoning of RM-2 and R-1-6

TO: City zoning R-M Medium-Density Residential and R-L-5 Low-Density Residential

On property described as follows:

Approximately 35.4 acres generally located east of 11th Avenue, between Thompson Drive and Hume Avenue, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral

CITY CLERK

STATE OF CALIFORNIA)

COUNTY OF KINGS) ss

CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

Natalie Corral

City Clerk

Attachment: Ordinance 21-11 Prezone 2021-06 (CD: 2nd Reading of Island Annexation Prezoning)

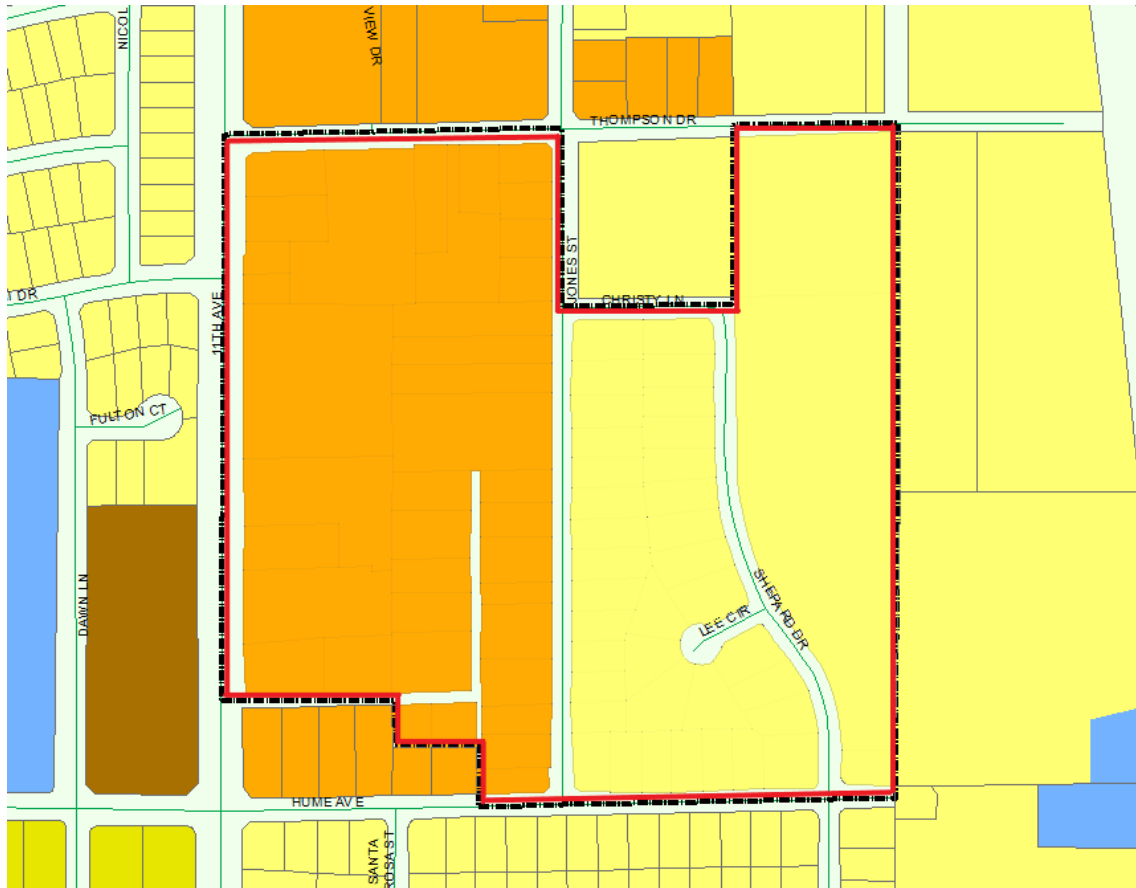
Exhibit A

Prezone No. 2021-06

Prezone 2021-06

General Plan Designation – Medium- and Low-Density Residential

Prezoning to R-M Medium-Density Residential and R-L-5 Low-Density Residential



Attachment: Ordinance 21-11 Prezone 2021-06 (CD: 2nd Reading of Island Annexation Prezoning)

ORDINANCE NO. 21-12
PREZONE NO. 2021-07

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING
 ANNEXATION 160, PART 7 AS R-L-12 LOW-DENSITY RESIDENTIAL, IN
 ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE AREA. THE
 PROJECT IS GENERALLY LOCATED ON KINGS ROAD, NORTH OF GRANGEVILLE
 BOULEVARD.**

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 7 filed by the City of Hanford

FROM: County zoning of R-1-20 and RM-3

TO: City zoning R-L12 Low-Density Residential

On property described as follows:

Approximately 20.54 acres generally located along Kings Road, north of Grangeville Boulevard, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Attachment: Ordinance 21-12 Prezone 2021-07 (CD: 2nd Reading of Island Annexation Prezoning)

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

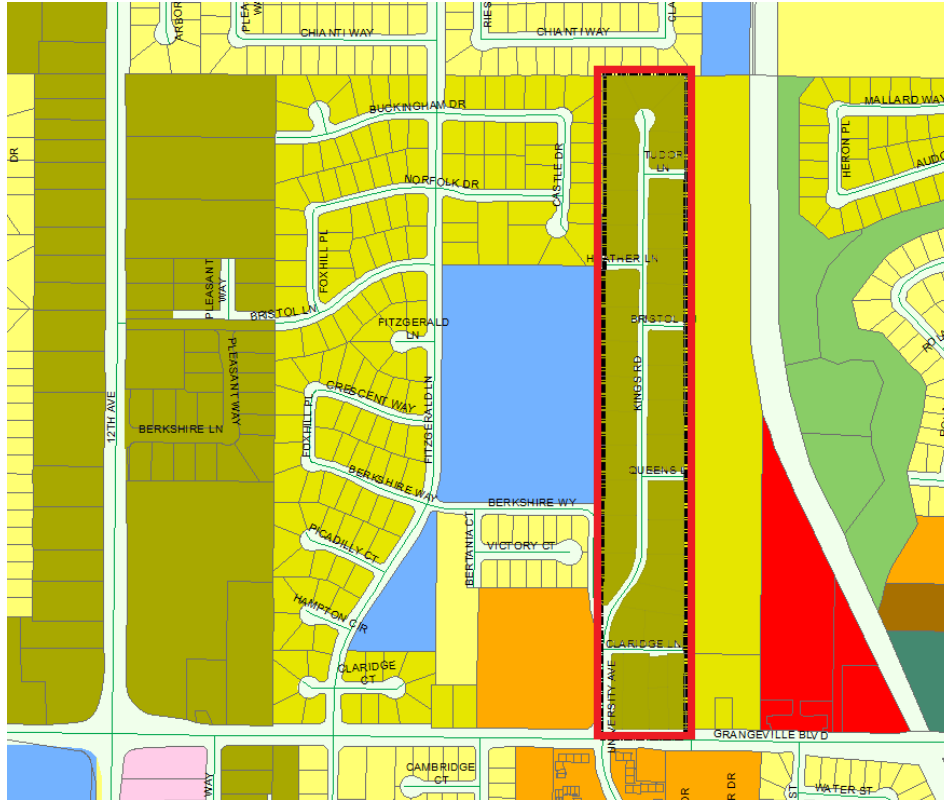
Natalie Corral
City Clerk

Attachment: Ordinance 21-12 Prezone 2021-07 (CD: 2nd Reading of Island Annexation Prezoning)

Exhibit A

Prezone No. 2021-07

Prezone 2021-07
General Plan Designation – Low-Density Residential
Prezoning to R-L-12 Low-Density Residential



Attachment: Ordinance 21-12 Prezone 2021-07 (CD: 2nd Reading of Island Annexation Prezoning)

ORDINANCE NO. 21-13
PREZONE NO. 2021-08

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HANFORD PREZONING
 ANNEXATION 160, PART 8 AS R-L-12 LOW-DENSITY RESIDENTIAL, IN
 ACCORDANCE WITH THE GENERAL PLAN DESIGNATION FOR THE AREA. THE
 PROJECT IS GENERALLY LOCATED ALONG FULONG DRIVE, EAST OF 11TH AVENUE,
 AND SOUTH OF FLINT AVENUE.**

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

Section 1: The following described territory situated in the City of Hanford is hereby prezoned under the terms of Chapter 17.86 of the Hanford Municipal Code:

Annexation 160, Part 8 filed by the City of Hanford

FROM: County zoning of RRE Rural Residential
TO: City zoning R-L-12 Low-Density Residential

On property described as follows:

Approximately 19.6 acres generally located along Furlong Drive, east of 11th Avenue and south of Flint Avenue, as depicted in attached **Exhibit A**; and

Section 2: The Council does hereby find as a fact that this Ordinance has been recommended for passage by the Planning Commission of the City of Hanford after public hearing before the Planning Commission after notice required by Section 17.70.100 of the Hanford Municipal Code and Government Code Section 65854. The City Council that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), per Categorical Exemption Class 19 (Annexation of areas containing existing public or private structures developed to the density allowed by the current prezoning) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3). The City Council hereby finds that the prezoning is required to achieve the objectives of the zoning regulations as set forth in Section 17.06.010 of the Hanford Municipal Code, and that this Ordinance has been introduced by the City Council after public hearing held on the 2nd day of November, 2021 at 7:00 p.m. of said day after notice required under the provisions of Section 65856 of the Government Code.

Section 3: This Ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage, and the zoning will apply to such property in the event of subsequent annexation to the City under the provisions of Section 65859 of the Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on the ____ day of _____, by the following roll call vote:

APPROVED

ATTEST:

MAYOR of the City of Hanford

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021 and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _____ day of _____, 2021.

Dated: _____

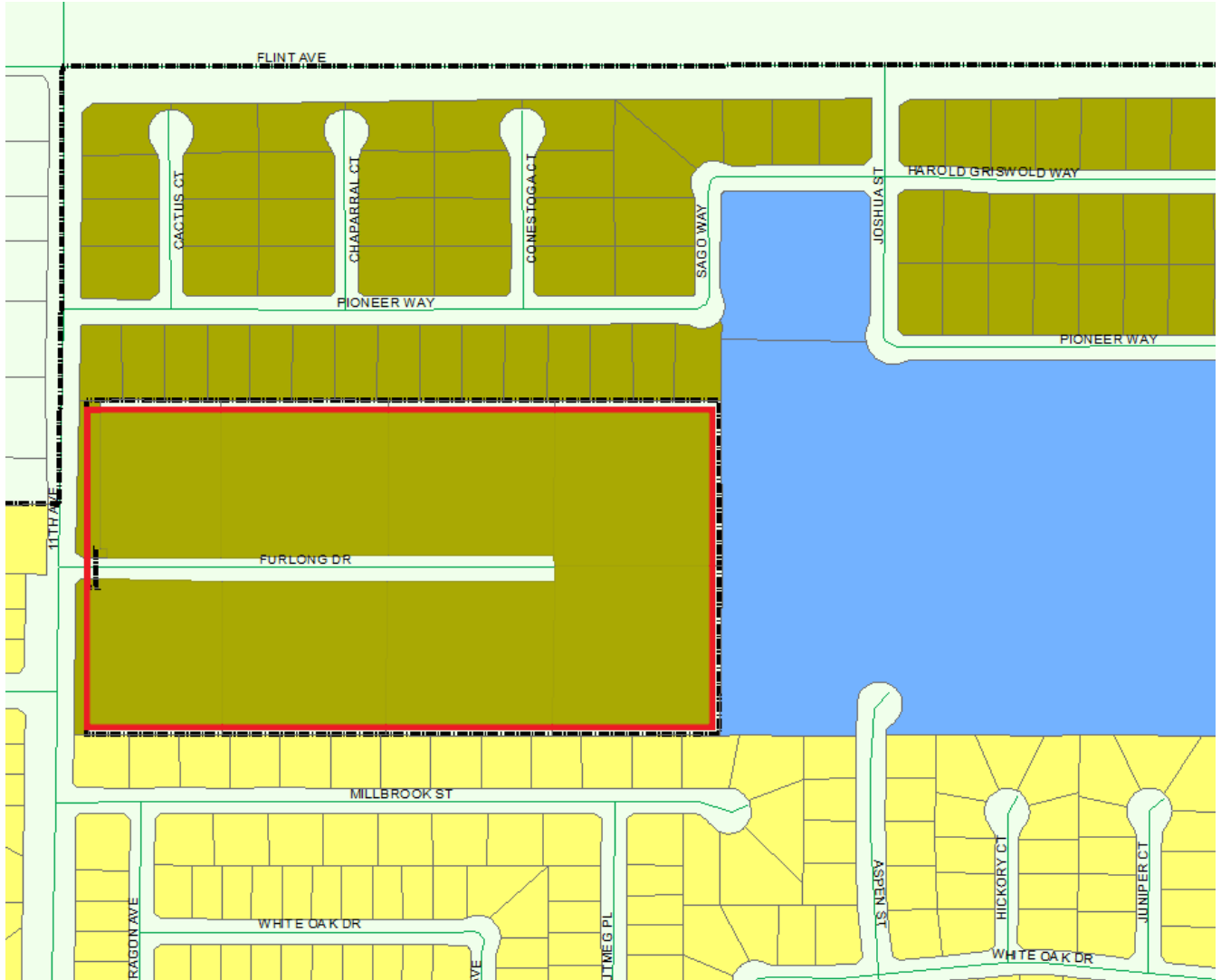
Natalie Corral
City Clerk

Attachment: Ordinance 21-13 Prezone 2021-08 (CD: 2nd Reading of Island Annexation Prezoning)

Exhibit A

Prezone No. 2021-08

Prezone 2021-08
 General Plan Designation – Low-Density Residential
 Prezoning to R-L-12 Low-Density Residential



Attachment: Ordinance 21-13 Prezone 2021-08 (CD: 2nd Reading of Island Annexation Prezoning)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: G
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SUBJECT:

Community Development: Second reading of Ordinance 21-14, approving Zone Text Amendment No. 2021-01: A request, by the City of Hanford, to amend Title 17, Section 17.08.030 – Commercial, Office, and Industrial Zone Use Table of the Hanford Municipal Code by adding sections in order to: a. Create size breakdowns for “Office; medical, dental, or optometry” and allow limited office uses in the C-R Regional Commercial zone district; and b. Create size breakdowns for “Office; professional or commercial” and allow limited office uses in the C-R Regional Commercial zone district; and c. Eliminate size breakdowns for “Furniture stores” and allow furniture stores (any size) as a permitted use in the C-R Regional Commercial, MX-C Corridor Mixed Use, and MX-D Downtown Mixed-Use zone districts; and d. Add “Laboratory; general, medical, or dental” as a conditionally permitted use in the C-R Regional Commercial zone district; and e. Add “Food catering” as a permitted use in C-N Neighborhood Commercial, C-R Regional Commercial, and MX-N Neighborhood Mixed Use zone district.

See staff report, attached.

FISCAL IMPACT:

ATTACHMENTS:

Staff Report - Second Reading
Ordinance 21-14 ZTA 2021-01



CITY OF HANFORD CITY COUNCIL

MEETING DATE: November 16, 2021

RECOMMENDED MOTION

1. I move to waive and adopt the second reading of Ordinance 21-14, approving Zone Text Amendment No. 2021-01.

RECOMMENDATION

1. Staff recommends the City Council waive the second reading and adopt Ordinance 21-14, approving Zone Text Amendment No. 2021-01: A request, by the City of Hanford, to amend Title 17, Section 17.08.030 – Commercial, Office, and Industrial Zone Use Table of the Hanford Municipal Code by adding sections in order to:
 - a. Create size breakdowns for “Office; medical, dental, or optometry” and allow limited office uses in the C-R Regional Commercial zone district; and
 - b. Create size breakdowns for “Office; professional or commercial” and allow limited office uses in the C-R Regional Commercial zone district; and
 - c. Eliminate size breakdowns for “Furniture stores” and allow furniture stores (any size) as a permitted use in the C-R Regional Commercial, MX-C Corridor Mixed Use, and MX-D Downtown Mixed-Use zone districts; and
 - d. Add “Laboratory; general, medical, or dental” as a conditionally permitted use in the C-R Regional Commercial zone district; and
 - e. Add “Food catering” as a permitted use in C-N Neighborhood Commercial, C-R Regional Commercial, and MX-N Neighborhood Mixed Use zone district.

FINDINGS FOR APPROVAL

In accordance with Section 17.86.030, before a zone change or text amendment may be approved, all of the following findings shall be made by the reviewing authority:

1. That the amendment is internally consistent with the goals, objectives, and policies of the General Plan and Zoning Ordinance;

Analysis: That each amendment request has been individually evaluated for consistency with the General Plan and recommended for approval if deemed consistent with the goals, objectives, and policies of the General Plan and Zoning Ordinance, specifically Section 17.08.050, as provided in the staff report.

2. That the amendment would not be detrimental to the public health, safety, or welfare of the community;

Analysis: That each use proposed is currently permitted within the City of Hanford and would not be detrimental to the public health, safety, or welfare of the community. Each use is already a use allowed within the City of Hanford, none of which has been determined to be detrimental to the health, safety, or welfare of the City. Each use was evaluated in accordance with Section 17.08.050 of the Zoning Ordinance, as provided in the staff report.

3. That the amendment would maintain the appropriate balance of land uses within the City; and

Analysis: That jobs-housing balance is achieved, by increasing opportunities for people to work and live in close proximity. The ratio is expressed as the number of jobs divided by the number of housing units. The jobs-housing balance is a general tool for analyzing where people work, where they live, and how effectively they can travel between the two. In the planning area, the existing jobs-housing balance ratio in 2013-2014 was 1.17. It is estimated that the implementation of the General Plan would increase the jobs-housing balance by 0.45 to 1.62, which would make the planning area a jobs-rich area. The proposed text amendments recommended for approval are all consistent with the General Plan and will not affect the City's ability to maintain an appropriate balance of land uses within the City.

4. That the anticipated land uses on the subject site would be compatible with existing and future surrounding uses.

Analysis: That each use was evaluated for consistency with the General Plan and Zoning Ordinance, in order to ensure the proposed uses would be compatible with existing and future land uses within their prospective districts as provided in the staff report.

ORDINANCE NO. 21-14

AN ORDINANCE APPROVING MUNICIPAL CODE AMENDMENT NO. 2021-01, A REQUEST BY THE CITY OF HANFORD TO: - MUNICIPAL CODE AND ZONE TEXT AMENDMENT NO. 2021-01: A REQUEST BY THE CITY OF HANFORD TO AMEND TITLE 17, SECTION 17.08.030 – COMMERCIAL, OFFICE, AND INDUSTRIAL ZONE USE TABLE OF THE HANFORD MUNICIPAL CODE BY ADDING SECTIONS IN ORDER TO:

- 1. CREATE SIZE BREAKDOWNS FOR “OFFICE; MEDICAL, DENTAL, OR OPTOMETRY” AND ALLOW LIMITED OFFICE USES IN THE C-R REGIONAL COMMERCIAL ZONE DISTRICT; AND**
- 2. CREATE SIZE BREAKDOWNS FOR “OFFICE; PROFESSIONAL OR COMMERCIAL” AND ALLOW LIMITED OFFICE USES IN THE C-R REGIONAL COMMERCIAL ZONE DISTRICT; AND**
- 3. ELIMINATE SIZE BREAKDOWNS FOR “FURNITURE STORES” AND ALLOW FURNITURE STORES (ANY SIZE) AS A PERMITTED USE IN THE C-R REGIONAL COMMERCIAL, MX-C CORRIDOR MIXED USE, AND MX-D DOWNTOWN MIXED-USE ZONE DISTRICTS; AND**
- 4. ADD “LABORATORY; GENERAL, MEDICAL, OR DENTAL” AS A CONDITIONALLY PERMITTED USE IN THE C-R REGIONAL COMMERCIAL ZONE DISTRICT; AND**
- 5. ADD “FOOD CATERING” AS A PERMITTED USE IN C-N NEIGHBORHOOD COMMERCIAL, C-R REGIONAL COMMERCIAL, AND MX-N NEIGHBORHOOD MIXED USE ZONE DISTRICT.**

LOCATION: CITYWIDE.

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

SECTION 1: The Hanford Municipal Code Title 17, the Zoning Ordinance contains regulations to ensure the public health, safety, peace, comfort, convenience, prosperity and general welfare of the citizens of Hanford, including zoning categories, allowed uses and development standards.

SECTION 2: The City Council has held a public hearing on the amendment to Title 17, as follows, and as attached as **Exhibits A:**

1. Amend Title 17, Section 17.08.030 – Commercial, Office, and Industrial Zone Use Table of the Hanford Municipal Code by adding sections in order to:
 - a. Create size breakdowns for “Office; medical, dental, or optometry” and allow limited office uses in the C-R Regional Commercial zone district; and
 - b. Create size breakdowns for “Office; professional or commercial” and allow limited office uses in the C-R Regional Commercial zone district; and
 - c. Eliminate size breakdowns for “Furniture stores” and allow furniture stores (any size) as a permitted use in the C-R Regional Commercial, MX-C Corridor Mixed Use, and MX-D Downtown Mixed-Use zone districts; and

- d. Add “Laboratory; general, medical, or dental” as a conditionally permitted use in the C-R Regional Commercial zone district; and
- e. Add “Food catering” as a permitted use in C-N Neighborhood Commercial, C-R Regional Commercial, and MX-N Neighborhood Mixed Use zone district.

SECTION 3: The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following sections of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3.

The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following sections of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3.

- a) The ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and
- b) The ordinance is also exempt under Section 15183 (projects consistent with a community plan, general plan, or zoning) since the types of businesses permitted by the ordinance are consistent with those contemplated by general plan and zoning, such as retail, office, and food service.

SECTION 4: The proposed amendment was evaluated for consistency with the General Plan and the Zoning Ordinance in accordance with Sections 17.02.060, 17.08.050, 17.86.030 and based on the following findings:

1. That the amendment is internally consistent with the goals, objectives, and policies of the General Plan and Zoning Ordinance;

Analysis: That each amendment request has been individually evaluated for consistency with the General Plan and recommended for approval if deemed consistent with the goals, objectives, and policies of the General Plan and Zoning Ordinance, specifically Section 17.08.050, as provided in the staff report.

2. That the amendment would not be detrimental to the public health, safety, or welfare of the community;

Analysis: That each use proposed is currently permitted within the City of Hanford and would not be detrimental to the public health, safety, or welfare of the community. Each use is already a use allowed within the City of Hanford, none of which has been determined to be detrimental to the health, safety, or welfare of the City. Each use was evaluated in accordance with Section 17.08.050 of the Zoning Ordinance, as provided in the staff report.

3. That the amendment would maintain the appropriate balance of land uses within the City; and

Analysis: That jobs-housing balance is achieved, by increasing opportunities for people to work and live in close proximity. The ratio is expressed as the number of jobs divided by the number of housing units. The jobs-housing balance is a general tool for analyzing where people work, where they live, and how effectively they can travel between the two. In the planning area, the existing jobs-housing balance ratio in 2013-2014 was 1.17. It is estimated that the implementation of the General Plan would increase the jobs-housing balance by 0.45 to 1.62, which would make the planning area a jobs-rich area. The

proposed text amendments recommended for approval are all consistent with the General Plan and will not affect the City's ability to maintain an appropriate balance of land uses within the City.

4. That the anticipated land uses on the subject site would be compatible with existing and future surrounding uses.

Analysis: That each use was evaluated for consistency with the General Plan and Zoning Ordinance, in order to ensure the proposed uses would be compatible with existing and future land uses within their prospective districts as provided in the staff report.

SECTION 5: The City Council of the City of Hanford does ordain that Title 17 is hereby amended, as shown in **Exhibit A**.

SECTION 6: That the ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on November 2, 2021, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED

Francisco Ramirez
MAYOR of the City of Hanford

ATTEST:

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 2nd day of November, 2021, and it was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the ____ day of ____, 2021.

NATALIE CORRAL
CITY CLERK

Exhibit A:
Land Use Table and Definitions – amended per MCA 2021-01

Additions appear in **bold**; deletions appear as ~~strikethrough~~

Zone Text Amendment No. 2021-01, a request by the City of Hanford to amend Title 17, Section 17.08.030 – Commercial, Office, and Industrial Zone Use Table of the Hanford Municipal Code by adding or deleting sections in order to make the following changes

1. Create size breakdowns for “Office; medical, dental, or optometry” and allow limited office uses in the C-R Regional Commercial zone district; and
2. Create size breakdowns for “Office; professional or commercial” and allow limited office uses in the C-R Regional Commercial zone district:

Table 17.08.030

Commercial, Office, and Industrial Use Table														
P = Use is Permitted by Right C = Use Requires Conditional Use Permit A = Use Requires Administrative Use Permit T = Use Requires Temporary Use Permit Blank = Use is Not Allowed														
Land Uses	Commercial Zones				Mixed Use Zones			Industrial and Office Zones				Other Zones		
	C-N	C-R	C-S	C-H	MX-N	MX-C	MX-D	O-R	O	I-L	I-H	AP	PF	CO
E6	Office; medical, dental, or optometry	P		P		P	P	P	P					
	Under 2,000 sq. ft.	P	P	P		P	P	P	P					
	2,000 – 6,000 sq. ft.	P	C	P		P	P	P	P					
	Over 6,000 sq. ft.	P		P		P	P	P	P					
E7	Office; professional or commercial	P		P		P	P	P	P					
	Under 2,000 sq. ft.	P	P	P		P	P	P	P					
	2,000 – 6,000 sq. ft.	P	C	P		P	P	P	P					
	Over 6,000 sq. ft.	P		P		P	P	P	P					

3. Eliminate size breakdowns for “Furniture stores” and allow furniture stores (any size) as a permitted use in the C-R Regional Commercial, MX-C Corridor Mixed Use, and MX-D Downtown Mixed-Use zone districts:

Commercial, Office, and Industrial Use Table														
P = Use is Permitted by Right C = Use Requires Conditional Use Permit A = Use Requires Administrative Use Permit T = Use Requires Temporary Use Permit Blank = Use is Not Allowed														
Land Uses	Commercial Zones				Mixed Use Zones			Industrial and Office Zones				Other Zones		
	C-N	C-R	C-S	C-H	MX-N	MX-C	MX-D	O-R	O	I-L	I-H	AP	PF	CO
I16 Furniture store		P				P	P							
I16 Furniture store with less than 15,000 sq. ft. of floor space devoted to the display and sale of furniture		P				P	P							
I17 Furniture store with 15,000 to 20,000 sq. ft. of floor space devoted to the display and sale of furniture		C				C	P							
I18 Furniture store with over 20,000 sq. ft. of floor space devoted to the display and sale of furniture							P							

4. Add “Laboratory; general, medical, or dental” as a conditionally permitted use in the C-R Regional Commercial zone district: and

Commercial, Office, and Industrial Use Table														
P = Use is Permitted by Right C = Use Requires Conditional Use Permit A = Use Requires Administrative Use Permit T = Use Requires Temporary Use Permit Blank = Use is Not Allowed														
Land Uses	Commercial Zones				Mixed Use Zones			Industrial and Office Zones				Other Zones		
	C-N	C-R	C-S	C-H	MX-N	MX-C	MX-D	O-R	O	I-L	I-H	AP	PF	CO
E4 Laboratory; general, medical or dental		C	P	C		P	C		P	C				

5. Add “Food catering” as a permitted use in the C-N Neighborhood Commercial, C-R Regional Commercial, and MX-N Neighborhood Mixed Use zone district.

Commercial, Office, and Industrial Use Table																
P = Use is Permitted by Right C = Use Requires Conditional Use Permit A = Use Requires Administrative Use Permit T = Use Requires Temporary Use Permit Blank = Use is Not Allowed																
Land Uses		Commercial Zones				Mixed Use Zones			Industrial and Office Zones				Other Zones			Specific Land Use Standards (See identified Section)
		C-N	C-R	C-S	C-H	MX-N	MX-C	MX-D	O-R	O	I-L	I-H	AP	PF	CO	
J14	Food catering	P	P	P		P	P	P	C							



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: H
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SUBJECT:

Community Development: Sign Permit 2021-36: A request by Main Street Hanford to paint a mural onto the exterior wall of an existing building. The property is located at 114-116 N. Irwin Street. (APN 012-055-009).

See staff report attached.

FISCAL IMPACT:

ATTACHMENTS:

Staff Report - Mural 2021
 Resolution No. 21-52-R
 Attachment 1: Mural
 Attachment 2: Historic Overlay Zone and Properties

**CITY OF HANFORD CITY COUNCIL
STAFF REPORT**

MEETING DATE: Tuesday, November 16, 2021

PROJECT: **Sign Permit 2021-36:** a request to paint a mural onto the exterior wall of an existing building. The property is located at 114-116 N. Irwin Street. (APN 012-055-009)

STAFF RECOMMENDATION

1. Staff recommends that the City Council, by motion, adopt Resolution 21-52-R approving Sign Permit 2021-36.

RECOMMENDED MOTION

1. I move to adopt Resolution 21-52-R approving Sign Permit 2021-36.

PROJECT DESCRIPTION

The project is a request to paint a mural onto the exterior wall of an existing building. A mural shall be defined as the following:

“Wall mural” or “mural” means an art form consisting of paint applied to a wall surface depicting a scene, personal experience or observation. A wall mural is to be public art, not for the purpose of identifying, advertising or drawing attention to a particular business, service or economic activity. For the purpose of regulation, hand painted signs on walls that contain commercial speech are considered signs and are not considered murals. Wall painting that has not been approved through a mural permit is considered graffiti.

As shown in **Attachment 1**, the mural is a colorful depiction of various notable symbols in the Hanford area. The mural will be painted onto the south-facing stucco wall of 114-116 N. Irwin Street, encompassing a significant portion of the wall. The property is designated a contributing building in the Historic Overlay Zone (see **Attachment 2**). There is no existing mural on site.

In accordance with Hanford Municipal Code Section 17.56.230, no person shall paint a wall mural on the exterior of any structure or change any existing mural on the exterior of any structure prior to the issuance of a wall mural permit issued by the City Council.

Mural Description

The proposed mural, 60 feet wide x 30 feet high, shows the phrase “Downtown Hanford” painted in black with a red drop shadow under each letter of the word “Hanford”. An array of shades of yellow, pink, and blue extend out from a yellow sun in the center. Each letter in the word “Hanford” encompasses various notable symbols in the Hanford area, including: the Fox Theater, a BNSF train, a dragon, a sign for the restaurant Imperial Dynasty, a bowl of ice cream, a carousel, mountains, a jet, two cows, a tractor, and a field.

Wall murals shall satisfy the design criteria of Section 17.56.230(l) of the Hanford Municipal Code.

1. The subject matter of the wall mural shall be of historical significance regarding the growth and development of the City of Hanford and its surrounding environs. Wall murals can also include buildings, land or seascapes, crop or farm animal depictions or mechanical history depictions.

ANALYSIS: The subject matter of the mural is a depiction of various notable symbols in the Hanford area. These include the following:

Fox Theater – The Fox Theater is a prominent entertainment venue in Hanford. Between its use for hundreds of shows since 1929 as well as its comparatively unique architecture, the theater has become a destination point in the City of Hanford.

BNSF train – Hanford began as a railroad town in the mid-19th century. The expansion of the railroad supported the City's growth to become what it is today. One of the main railways in Hanford is currently owned and operated by BNSF Railway.

Dragon/Imperial Dynasty sign – Both of these images represent China Alley, the epicenter of the Chinese immigrant community in the late 19th century. The alley has been maintained over the years to preserve the culture of the community.

Bowl of ice cream – Superior Dairy is a popular ice cream parlor in existence for nearly 100 years, becoming a destination in its own right due to its reputation for large and tasty portions of ice cream.

Carousel – The carousel found in Civic Park has provided entertainment for Hanford families for many decades. The Art Deco style that adorns the structure also makes it one of the more architecturally-unique structures in Hanford.

Mountains – The Sierra Nevada mountain range is typically visible from many areas of Hanford. On clear days, these mountains have provided a natural scenic view for Hanford residents over its entire history.

Jet – Naval Air Station Lemoore is a nearby U.S. Navy base that houses numerous Navy jet aircrafts. Since its inception in 1961, NAS Lemoore has provided an economic base for the surrounding area.

Cows/Tractor/Field – These three items represent agriculture and farming. Much of Hanford's history, economy, and culture can be traced back to the large influence of agriculture in the area. Dairy farms are a particularly noteworthy industry.

All of the symbols in the mural have a strong historical significance regarding the growth and development of the City of Hanford and its surrounding environment.

2. The colors used in the wall mural shall be complimentary and harmonious with exterior colors of the structure and consistent with historical color pallet. Fluorescent colors are not in keeping with the historical color pallet.

ANALYSIS: All colors will be complimentary and harmonious with the exterior colors of the structure. Due to their extensive use in the mural, the exact shades of yellow, pink,

and blue in the background shall be confirmed by staff to be consistent with the historical color palette. The colors used in the phrase "Downtown Hanford" are complimentary to the Historic District and elevate the appearance of the mural, regardless if the proposed colors are approved historic colors, since they reflect the appearance of each notable historical symbol. This will not affect the historic character of the structure, since the site does not contribute to the Historic District due to the color of the building. There will be no fluorescent colors used in the mural.

3. The paint and/or materials to be used and applied on the structure shall be appropriate for use in an outdoor locale for an artistic rendition and shall be of a permanent or long lasting variety.

ANALYSIS: The applicant proposes to use exterior paint colors from Behr, Valspar, and Sherwin Williams. A conditional of approval shall be that the paint selected shall be of a permanent or long lasting variety.

4. The proposed wall mural shall exhibit exceptional design quality and incorporate high quality materials that enhance the overall development and appearance of the site.

ANALYSIS: The proposed wall mural exhibits exceptional design quality by paying close attention to the intricate details in each symbol and selecting a color scheme that compliments the area. The applicant proposes to use trusted, name-brand paint colors from Behr, Valspar, and Sherwin Williams.

5. The proposed wall mural shall be well integrated with the buildings and other elements of the property and be harmonious with surrounding historic character.

ANALYSIS: The wall mural will be directly painted onto the wall and architecturally incorporated into the building so that it does not appear to be a sign attached to the building or have the appearance that the structure is ancillary to the mural. The mural is harmonious with the surrounding character by the selection of colors that are supportive and beneficial to the overall historic character of the Historic District as well as the attention to detail found in each representative symbol.

6. The proposed wall mural, by its design, construction and location, shall not have a substantial adverse effect on abutting property or the permitted use thereof, and will contribute to the City's unique character and quality of life.

ANALYSIS: The design, construction, and location of the wall mural will not have a substantial adverse effect on abutting property or the permitted use thereof, and will contribute to the City's unique character and quality of life. The mural will be placed adjacent to an alley and will not extend onto any neighboring building or property. There will be no effect on abutting property or permitted uses. Any use of the public right-of-way will require approval of an encroachment permit by the Public Works Department. The mural will contribute to the City's unique character and quality of life by depicting notable symbols in the Hanford area and acting as an entry sign into the Historic District for travelers heading north on Irwin Street.

7. The wall mural shall be designed and painted by, or supervised by, someone with sufficient knowledge in the design of such projects and the application of paints for such projects.

ANALYSIS: The mural will be painted by Jennifer Butts, an artist, licensed art teacher, and California-certified paint contractor who has painted over 35 murals, many in the Hanford/Lemoore area.

8. Have a plan for painting the mural that ensures the safety of painters and the public, and that does not impede public access. In the event that the safety plan submitted is not being adhered to, and the City has identified a safety risk to either the artist and/or the public, the City has the right to stop work until such time that safety issues or concerns are addressed by the artist.

ANALYSIS: The artist shall use a boom lift, possibly a scissor lift, and ladders to safely access any area on the building out of reach. The applicant will also use caution tape to secure the work area to prevent passersby from disturbing the work area. Any use of the public right-of-way will require approval of an encroachment permit by the Public Works Department.

9. To the extent feasible, the mural shall be vandal and graffiti resistant by using an approved graffiti/UV coating.

ANALYSIS: The applicant will apply an anti-graffiti coating to prevent vandalism and any potential graffiti.

All design criteria for wall murals stated in Section 17.56.230(I) are satisfied.

FINDINGS FOR APPROVAL

In accordance with Section 17.56.230 of the Hanford Municipal Code, staff recommends approval of Sign Permit 2021-36 and that the following findings are made:

1. That the proposal is consistent with the intent of development standards for wall murals.
2. That the mural preserves and enhances the visual attractiveness of the City for residents, businesses, and visitors.
3. That the mural does not identify, advertise, or draw attention to a particular business, service, or economic activity.
4. That the request will not adversely affect the public health, safety, and general welfare of the citizens of Hanford.

RECOMMENDATION – CONDITIONS OF APPROVAL

The City Council shall identify conditions of approval to the issuance of a wall mural permit.

Staff recommends that the City Council approve Sign Permit No. 2021-36, subject to the following conditions:

1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.
2. That the alterations to the exterior be completed in accordance with the proposed changes, minor changes may be approved by the Community Development Director.
3. That the paint and/or materials to be used and applied on the structure shall be of a permanent or long lasting variety.
4. That the exact shades of yellow, pink, and blue in the background shall be confirmed by staff to be consistent with the historical color palette.
5. That the applicant, the owner of the structure, and the artist shall agree pursuant to language prepared by the City to indemnify, defend, and hold the City of Hanford its officials, officers, employees and agents harmless from and against any and all damages or liabilities of whatever nature arising out of or in connection with the wall mural.

Applicant:

Main Street Hanford
219 W. Lacey Blvd.
Hanford, CA 93230

Property Owner:

Dennis Fausone
1316 N. 10th Ave.
Hanford, CA 93230

RESOLUTION 21-52-R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
APPROVING SIGN PERMIT NO. 2021-36, A REQUEST TO PAINT A MURAL
ONTO THE EXTERIOR WALL OF AN EXISTING BUILDING. THE
PROPERTY IS LOCATED AT 114-116 N. IRWIN STREET (APN 012-055-009).**

At a regular meeting of the City Council of the City of Hanford duly called and held on November 16, 2021, at 7:00 p.m. in the Council Chambers of the Civic Auditorium, it was moved by Council Member _____, and seconded by Council Member _____, and duly carried, that the following resolution be adopted:

WHEREAS, an application, filed by Main Street Hanford for Sign Permit No. 2021-36, as shown in **Exhibit A**, was presented to the City Council; and

WHEREAS, the proposed project is located at 114-116 N. Irwin St. (APN 012-055-009); and

WHEREAS, the City Council of the City of Hanford, at a regular meeting on November 16, 2021, reviewed the request for Sign Permit No. 2021-36; and

WHEREAS, Section 15301 of the California Environmental Quality Act Guidelines categorically exempts “Existing Facilities” from Environmental Review; and

WHEREAS, the City Council of the City of Hanford reviewed the application for the Sign Permit No. 2021-36 and found that the application is consistent with Section 17.56.230 of the Hanford Municipal Code and that the following findings are made:

1. That the proposal is consistent with the intent of development standards for wall murals.
2. That the mural preserves and enhances the visual attractiveness of the City for residents, businesses, and visitors.
3. That the mural does not identify, advertise, or draw attention to a particular business, service, or economic activity.
4. That the request will not adversely affect the public health, safety, and general welfare of the citizens of Hanford.

THEREFORE, BE IT RESOLVED that the City Council of the City of Hanford hereby approves Sign Permit No. 2021-36, subject to the following conditions:

1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.
2. That the alterations to the exterior be completed in accordance with the proposed changes, minor changes may be approved by the Community Development Director.

3. That the paint and/or materials to be used and applied on the structure shall be of a permanent or long lasting variety.
4. That the exact shades of yellow, pink, and blue in the background shall be confirmed by staff to be consistent with the historical color palette.
5. That the applicant, the owner of the structure, and the artist shall agree pursuant to language prepared by the City to indemnify, defend, and hold the City of Hanford its officials, officers, employees and agents harmless from and against any and all damages or liabilities of whatever nature arising out of or in connection with the wall mural.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council of the City of Hanford hereby approves Sign Permit No. 2021-36. Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on November 16, 2021, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED: _____

FRANCISCO RAMIREZ
MAYOR of the City of Hanford

ATTEST: _____

NATALIE CORRAL
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the 16th day of November, 2021.

Date: _____

NATALIE CORRAL
CITY CLERK

Attachment: Resolution No. 21-52-R (CD: SIGN 2021-36)

Exhibit A
Approved Design

Attachment: Resolution No. 21-52-R (CD: SIGN 2021-36)



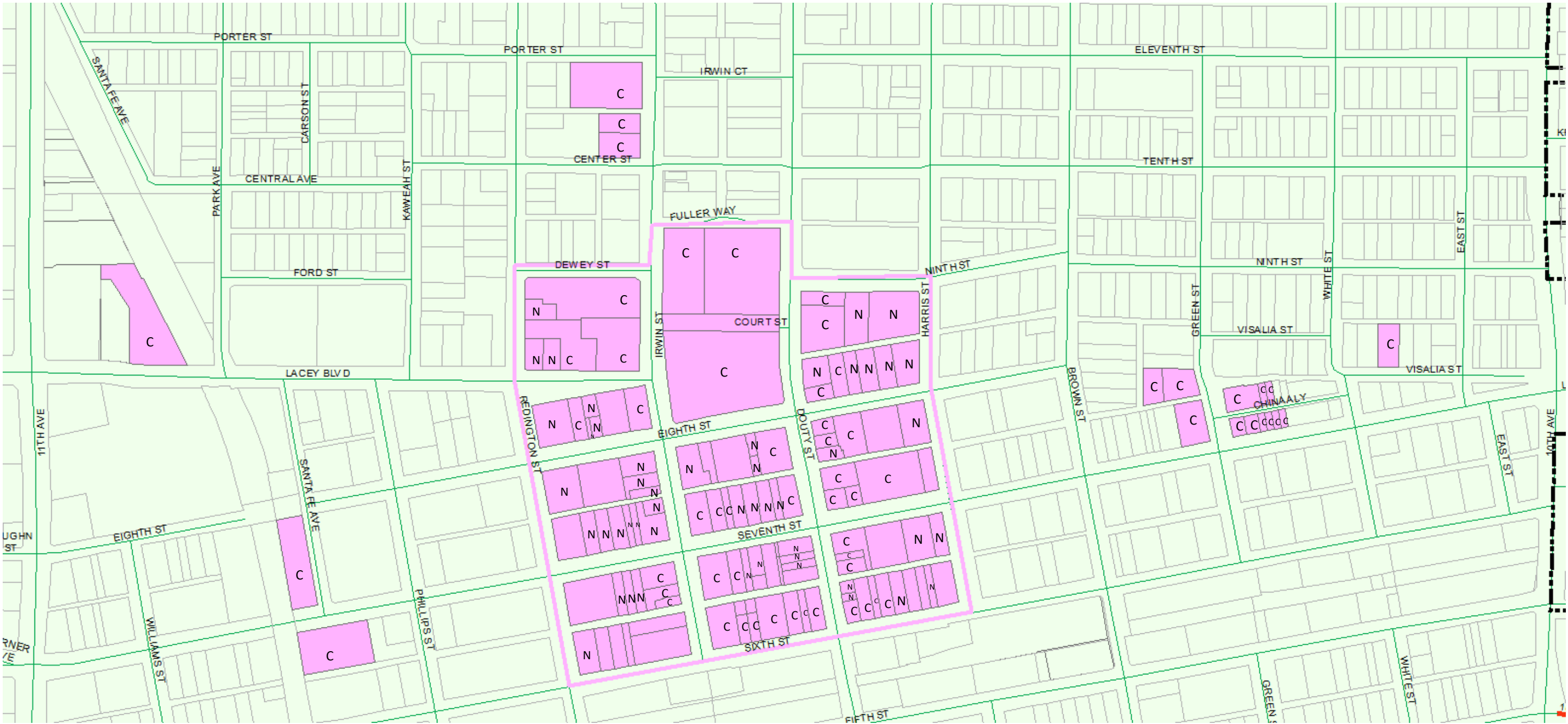
Attachment: Resolution No. 21-52-R (CD: SIGN 2021-36)

DOWNTOWN



Attachment: Attachment 1: Mural (CD: SIGN 2021-36)

Historic Overlay Zone and Properties



Legend

-

 Historic Overlay Zone

Historic Properties

C - Contributing Buildings

N - Noncontributing Buildings



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: I
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SUBJECT:

Community Development: Historic Resources Permit 2021-07: a request to remodel the bottom band of the façade at 240-250 W. Eighth Street within the Historic Overlay Zone. The property is designated as a contributing building. (APN 012-022-003).

See staff report attached.

FISCAL IMPACT:

ATTACHMENTS:

Staff Report - HR 2021-07
 Resolution No. 21-51-R
 Attachment 1: Historic Overlay Zone and Properties
 Attachment 2: modern photo
 Attachment 3: Proposal
 Notice of Exemption No. 2021-97

CITY OF HANFORD CITY COUNCIL STAFF REPORT

MEETING DATE: Tuesday, November 16, 2021

PROJECT: **Historic Resources Permit 2021-07:** a request to remodel the bottom band of the façade at 240-250 W. Eighth Street within the Historic Overlay Zone. The property is designated as a contributing building. (APN 012-022-003)

STAFF RECOMMENDATION

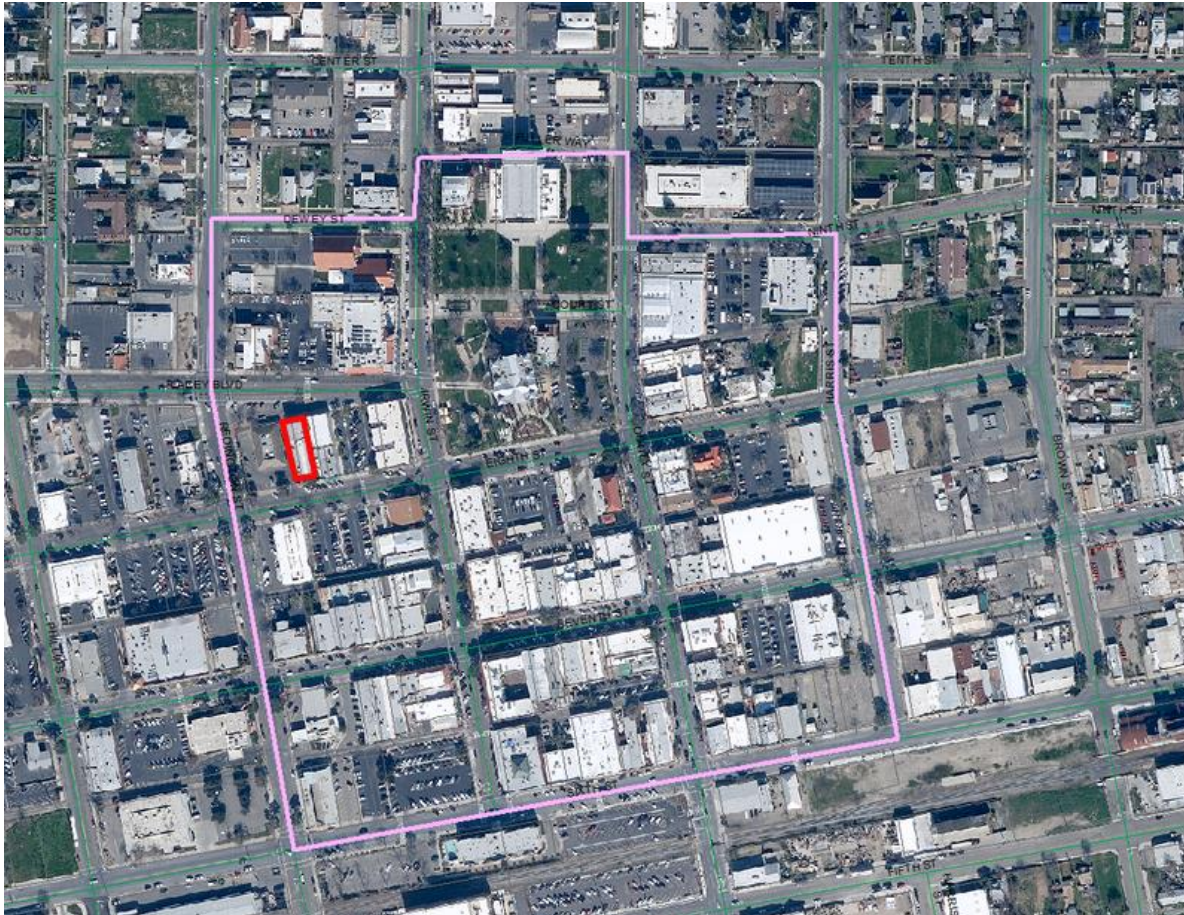
1. Staff recommends that the City Council, by motion, adopt Resolution 21-51-R approving Historic Resources Permit 2021-07.

RECOMMENDED MOTION

1. I move to adopt Resolution 21-51-R approving Historic Resources Permit 2021-07.

PROJECT DESCRIPTION

The property is located within the Historic Overlay Zone, shown below – outlined in red.



The property is designated a contributing building in the Historic Overlay Zone, as shown on the Historic Overlay Zone Map – **Attachment 1**.

“Contributing building” means a structure within a historic district which structure retains scale, mass and other architectural characteristics to the degree that it contributes to the sense of time and place of the immediate area and the district. The building may have individual architectural significance or may be one of a grouping of background buildings that jointly contribute to the character of the immediate area and the district. Contributing buildings may reflect interim modifications if those modifications do not irreparably detract from the character of the building or if the modifications reflect an architectural style or particular era important to the development of the City. Contributing buildings shall also include structures that have a strong historical tie to activities, events, or individuals important in the development of the City.

In accordance with the Municipal Code Section 17.48, alterations to the exterior of a building located within the Historic Overlay Zone are required to be approved through a Historic Resources Permit, which must be approved by the City Council.

Section 17.48.040

No improvement or exterior architectural feature of any improvement shall be constructed or altered or enlarged which is located in the Historic Overlay District or identified as a historic site outside the District, unless a permit is issued pursuant to the terms of this chapter. The section shall not apply to any interior alteration which has no effect on the condition or appearance of any exterior architectural feature of an improvement. No structure listed on a State or National Register shall be moved or demolished, unless a permit is issued pursuant to the terms of this chapter.

Section 17.48.070

- A. A historic resource permit shall be required for any alteration of the exterior features of a building within a designated historic district, or a designated historic building or site, or to construct a new building or improvements upon property within a designated historic district except as otherwise provided in this Chapter 17.48, the City Council shall determine whether a historic resources permit shall be issued. A permit shall not be required for ordinary maintenance and repairs as defined in this section.
- B. Permit Procedures. An application for a historic resource permit shall be made on a form prescribed by the Community Development Department and shall be accompanied by the fees established by resolution of the City Council. The application shall include the information required by Section 17.60.020 for site plan review, complete elevation drawings of the proposed alterations, samples of proposed colors and materials, color photographs of all sides of any existing improvement, building or structure on the site, and such other information as may be required by the Community Development Department. If applicable, the application shall include the information required by Chapter 17.58 (permit for conditional uses) and Chapter 17.62 (planned unit development).

Applications for permits requiring City Council approval shall be placed on the next regular meeting of the City Council. The City Council may approve, approve with conditions, or deny the permit.

Building Description

Constructed in 1910, the building is a one-story flat-roofed structure with parapet walls consisting of two businesses. There is a brick entablature below the front parapet wall, sitting above a framed brick area offset back from the entablature. A vinyl, terra cotta awning sits above large plate glass display windows. At the bottom are several wood panels lining the entire frontage. Exposed metal gutter and down spouts are attached to the front of the building. Modifications to the building over the years include the installation of the awning and the wood panels. **Attachment 2** shows the modern appearance of the façade. A second structure at 219-221 W. Lacey Blvd. comprises the remainder of the site. The brick relief features give the building a unique and individual architectural appearance and help the building contribute to the Historic District.

Due to the deterioration of the wood panels on the bottom band of the building, the applicant is proposing to replace them with black tile along the top and bottom of the band and smooth tan stucco in between, as shown in **Attachment 3**. The remainder of the building will remain untouched.

According to Section 17.48.150(C)(1)(a), “where original old store fronts remain, their appearance should not be altered. Such store fronts should be repaired and preserved. Where store fronts have been altered, the original design should be determined by examining photographs from the period and by investigating any original architectural fabric which remains beneath the changes. As much original material and detail should be retained in the rehabilitation as possible.” **Attachment 3** is photographic evidence of the subject site with a dark-colored tile and light-colored stucco present on the bottom band of the building prior to the installation of the wood panels. The proposal will match the design of the former appearance as closely as possible.

Section 17.48.150(B)(6) states that “deteriorated architectural features shall be repaired, rather than replaced, wherever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture and other visual qualities. The repair or replacement of missing architectural features should be based on accurate duplications of features, substantiated by historic, physical or pictorial evidence, rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.” While replacement is necessary, the new material would not match the material being replaced. However, staff is supportive of deviating from this standard in order to match the earlier appearance documented by photographic evidence. The intent of the design criteria for contributing buildings is to restore a structure to its exact former appearance. This will be accomplished for the bottom band of the building with this deviation.

As stated in Section 17.48.150(E)(1)(a), “exterior colors should harmonize with other colors on the same building and on the streetscape. Exterior colors should complement the colors of neighboring buildings and should be selected to be mutually supportive and beneficial to the overall historic character of the streetscape.” The tan color for the stucco will match the color of the existing brick. The black color of the tile does not directly match any existing color on the façade. However, the proposal would support the overall historic character of the streetscape as

Attachment 3 shows the use of a dark-colored tile previously. There are other buildings that exhibit the use of black tile in the Historic District, including the façade of the Fox Theater.



Given the photographic evidence documenting the former appearance of the bottom band of the building, staff is supportive of the request to remodel the façade. The proposed design will not detract from the contributing nature of the building to the Historic District.

FINDINGS FOR APPROVAL

In accordance with Section 17.48 of the Hanford Municipal Code, staff recommends approval of Historic Resources Permit 2021-07 and that the approval of the historic resources permit will preserve to the extent possible historic elements of the site, and make the following findings:

1. That the proposed structure is consistent with the intent of development standards for contributing sites in the Historic Overlay Zone.
2. That the structure will preserve and encourage a city of varied architectural styles reflecting the cultural, social, economic, political, and architectural phases of its history.
3. That the request will not adversely affect the public health, safety and general welfare of the citizens of Hanford.

RECOMMENDATION – CONDITIONS OF APPROVAL

The City Council may approve, approve with conditions, or deny the permit.

Staff recommends that the City Council approve Historic Resources Permit No. 2021-07, subject to the following conditions:

1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.
2. That the alterations to the exterior be completed in accordance with the proposed changes, minor changes may be approved by the Community Development Director.

Applicant/Property Owner:

Bob Sharp
PO Box 1264
Hanford, CA 93232

RESOLUTION 21-51-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING HISTORIC RESOURCES PERMIT NO. 2021-07 TO REMODEL THE BOTTOM BAND OF THE FAÇADE AT 240-250 W. EIGHTH STREET WITHIN THE HISTORIC OVERLAY ZONE. THE PROPERTY IS DESIGNATED AS A CONTRIBUTING BUILDING. THE PROJECT IS LOCATED AT 240-250 W. EIGHTH STREET (APN 012-022-003).

At a regular meeting of the City Council of the City of Hanford duly called and held on November 16, 2021, at 7:00 p.m. in the Council Chambers of the Civic Auditorium, it was moved by Council Member _____, and seconded by Council Member _____, and duly carried, that the following resolution be adopted:

WHEREAS, an application, filed by Bob Sharp for Historic Resources Permit No. 2021-07, as shown in **Exhibit A**, was presented to the City Council; and

WHEREAS, the proposed project is located at 240-250 W. Eighth St. (APN 012-022-003); and

WHEREAS, the City Council of the City of Hanford, at a regular meeting on November 16, 2021, reviewed the request for Historic Resources Permit No. 2021-07; and

WHEREAS, Section 15301 of the California Environmental Quality Act Guidelines categorically exempts “Existing Facilities” from Environmental Review; and

WHEREAS, the City Council of the City of Hanford reviewed the application for the Historic Resources Permit No. 2021-07 and found that the application is consistent with Section 17.48 of the Hanford Municipal Code and that the approval of the historic resources permit will preserve to the extent possible historic elements of the site, and make the following findings:

1. That the proposed structure is consistent with the intent of development standards for contributing sites in the Historic Overlay Zone.
2. That the structure will preserve and encourage a city of varied architectural styles reflecting the cultural, social, economic, political, and architectural phases of its history.
3. That the request will not adversely affect the public health, safety, and general welfare of the citizens of Hanford.

THEREFORE, BE IT RESOLVED that the City Council of the City of Hanford hereby approves Historic Resources Permit No. 2021-07, subject to the following conditions:

1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.

2. That the alterations to the site be completed in accordance with the proposed changes. Future changes may be approved by the Community Development Director or forwarded to the City Council for review.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council of the City of Hanford hereby approves Historic Resources Permit No. 2021-07. Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on November 16, 2021, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED: _____
FRANCISCO RAMIREZ
MAYOR of the City of Hanford

ATTEST: _____
NATALIE CORRAL
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

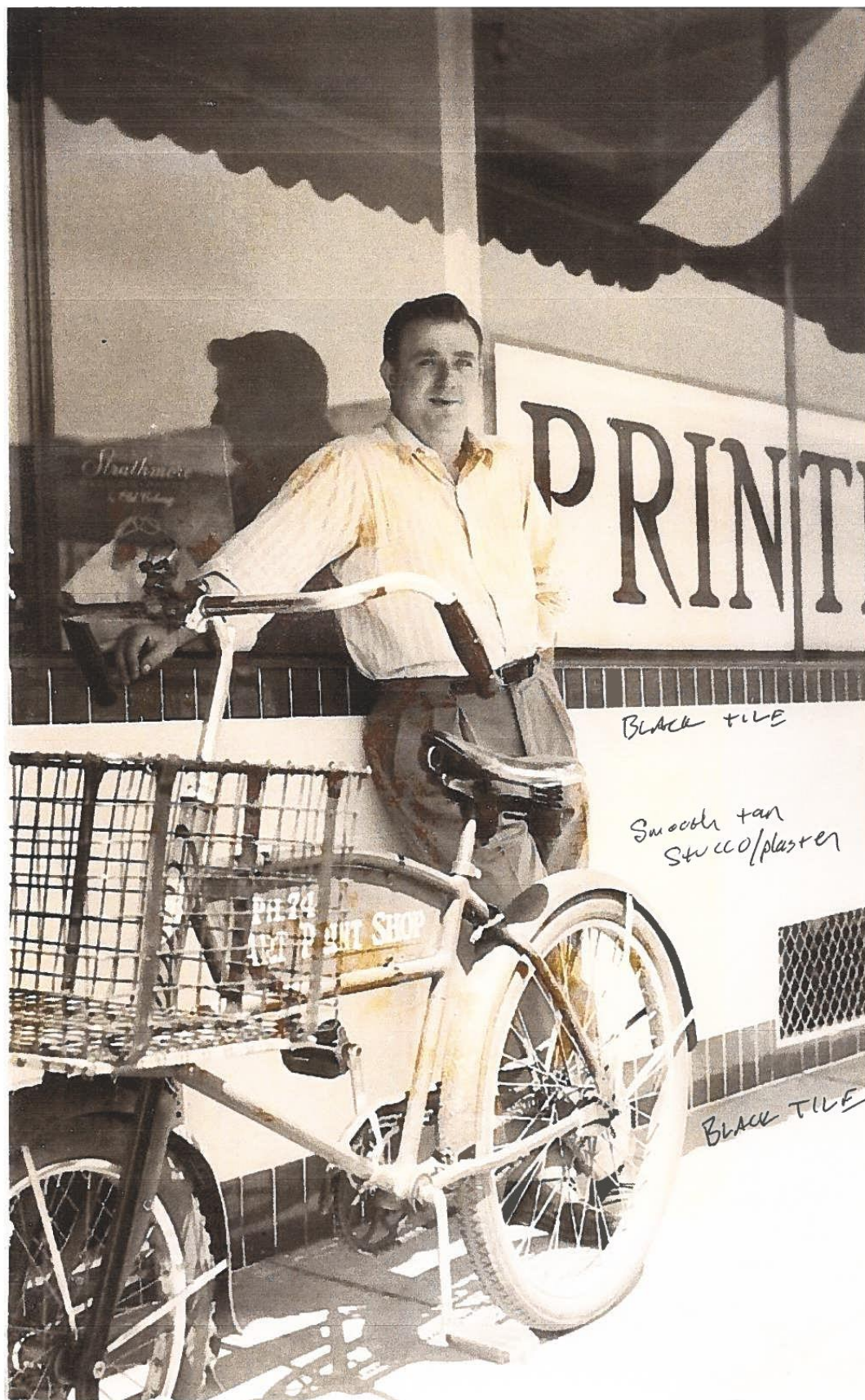
I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the 16th day of November, 2021.

Date: _____

NATALIE CORRAL
CITY CLERK

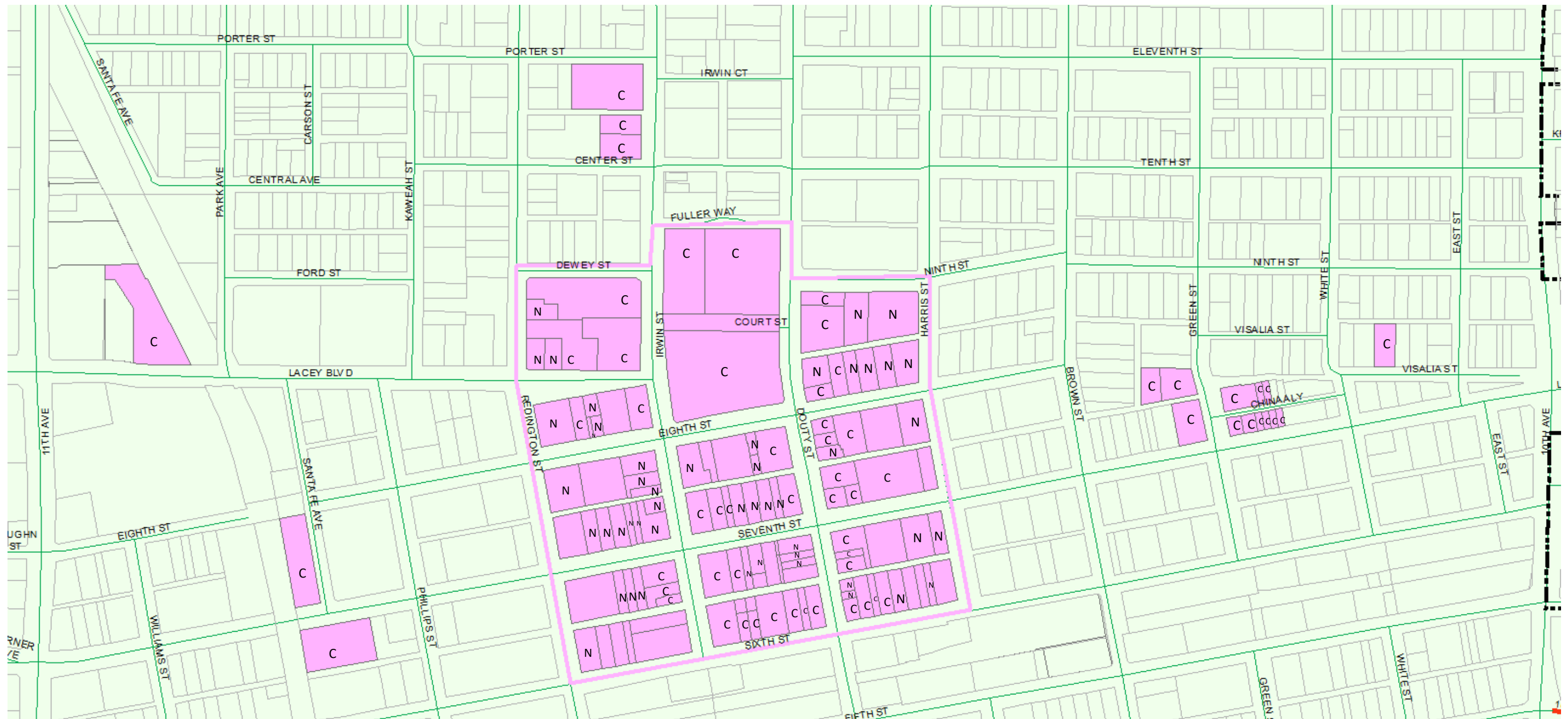
Exhibit A
Approved Design

Attachment: Resolution No. 21-51-R (CD: Historic Resources Permit 2021-07)



ORIGINAL TO BUILDING

Historic Overlay Zone and Properties



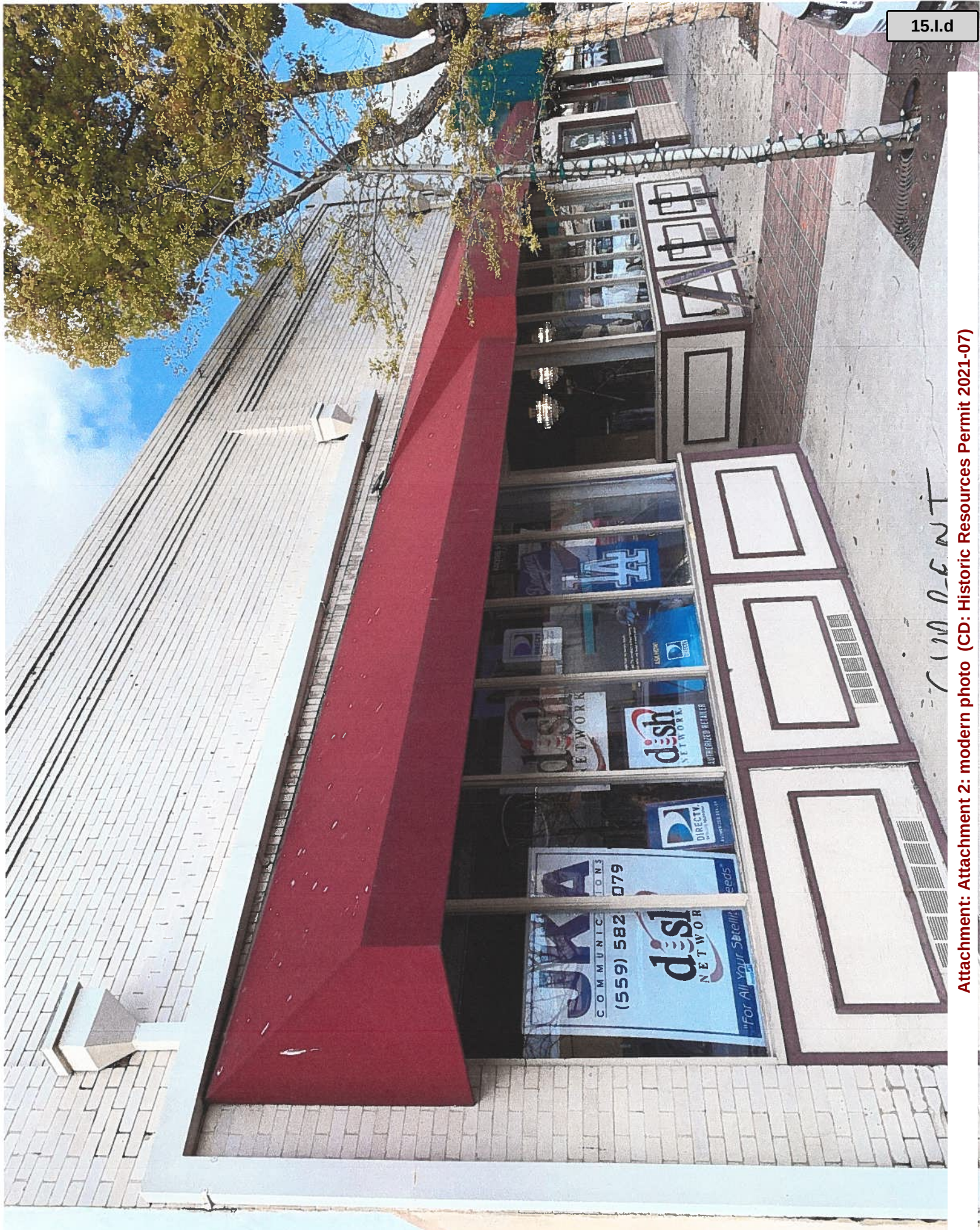
Legend

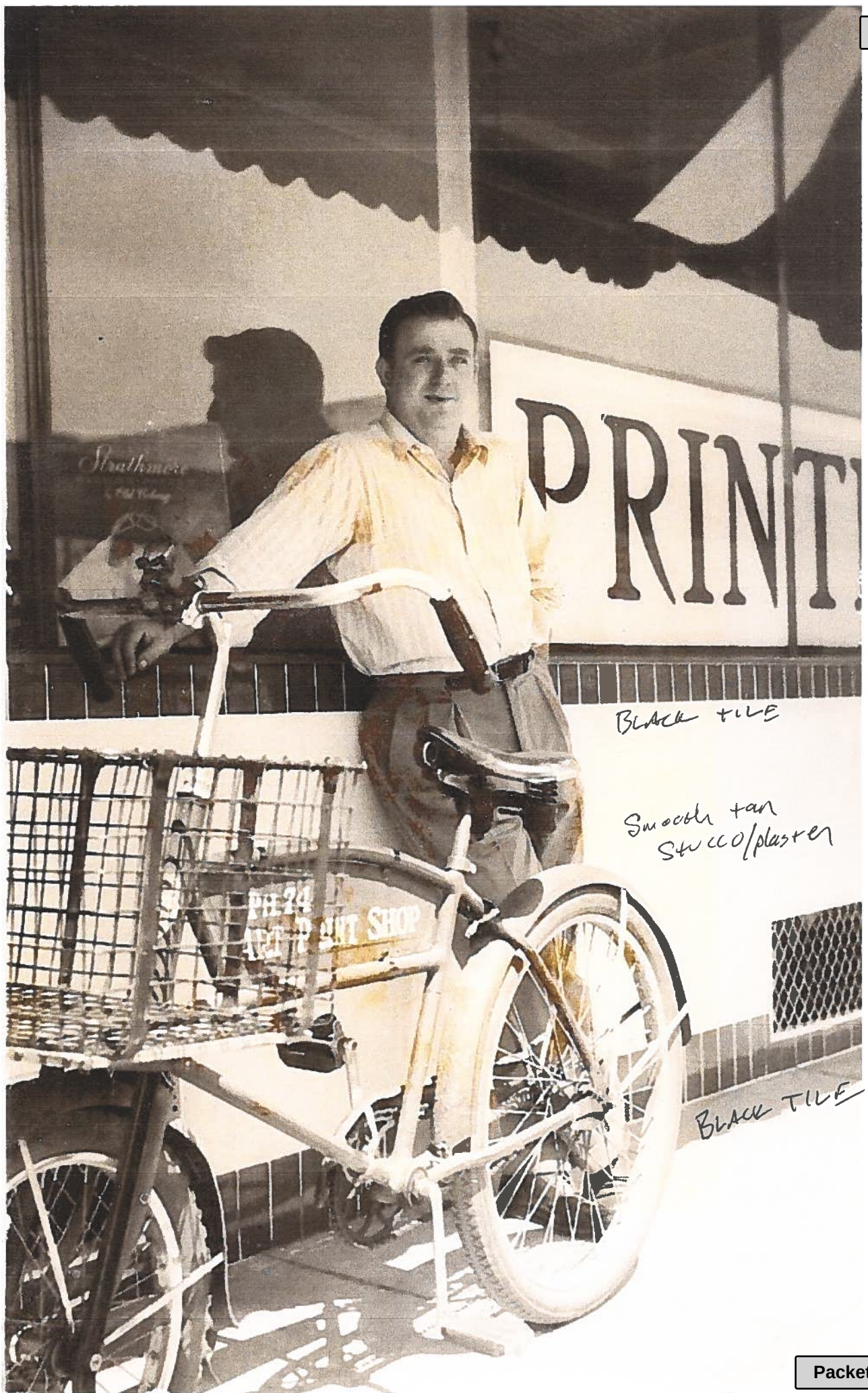
- Historic Overlay Zone

- Historic Properties

C - Contributing Buildings

N - Noncontributing Buildings





Original to Building

Attachment: Attachment 3: Proposal (CD: Historic Resources Permit 2021-07)

Notice of Exemption 2021-97

To: ☐ Office of Planning and Research
P.O. Box 3044, Room 212
Sacramento, CA 95812-3044

☒ County Clerk
County of Kings
Kings County Government Center
Hanford, CA 93230

From: City of Hanford
317 North Douty Street
Hanford, CA 93230

Project Title: Historic Resources Permit No. 2021-07

Project Location – 240-250 W. Eighth Street (APN 012-022-003)

Project Location – City: Hanford **Project Location – County:** Kings County

Description of Nature, Purpose and Beneficiaries of Project: Historic Resources Permit 2021-07: a request to remodel the bottom band of the façade at 240-250 W. Eighth Street within the Historic Overlay Zone. The property is designated as a contributing building.

Name of Public Agency Approving Project: City of Hanford, Planning Division

Name of Person or Agency Carrying Out Project: Bob Sharp

Exempt Status: **(check one)**

- ☐ Ministerial (Sec. 21080(b)(1); 152698);
☐ Declared Emergency (Sec. 21080(b)(3); 15269 (a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☒ Categorical Exemption: State type and section number: 15301 Existing Facilities
☐ Statutory Exemption. State code number:

Reasons why project is exempt:

The City of Hanford determined the project to be exempt from environmental review pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines. Section 15301 states that Class 1 exemptions consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. This project involves the minor alteration of an existing private structure, involving negligible or no expansion of the existing or former use.

Lead Agency

Contact Person: Mark Manha Area Code/Telephone: (559) 585-2583

Signature: _____ Date: November 16, 2021 Title: Assistant Planner

☒ Signed by Lead Agency Date received for filing at OPR: _____
☐ Signed by Applicant

Attachment: Notice of Exemption No. 2021-97 (CD: Historic Resources Permit 2021-07)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: J
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SUBJECT:

Public Works: Authorization to award contract to 4Creeks of Visalia CA, in the amount of \$31,268.00 for the design the Police Department Parking Lot Expansion Project.

RECOMMENDATION:

That the City Council, by motion, award a contract to 4Creeks of Visalia CA for the Engineering Design of the Police Department Parking Lot Expansion Project in the amount of \$31,268.00

BACKGROUND:

This project will provide for the reconfiguration and redesign of existing parking spaces located east of the Police Station to provide for additional and more efficient parking. This project will also include fencing and gates to secure the area.

Existing parking areas located east of the police station (east of alley) are inefficient and function poorly. The reconfiguration of parking in this area will add parking stalls and allow for more efficient use of the space.

Staff requested proposal from (4) On Call Consultant Firms. The proposals were reviewed and staffed selected 4Creeks out of Visalia CA to perform the design phase of this project. With Council's approval, Engineering Services will start November 2021 in preparation for construction in Summer 2022.

FISCAL IMPACT:

The FY 20/21 (0183) Police Impact Fees Fund provides a combined \$35,000.00 for this project. A copy of the budget pages are attached for Council Review.

ATTACHMENTS:

21348 - Police Parking Lot Expansion_Proposal -
Budget Page FY 19.20

Budget Page FY 20.21
FUND BAL 0183

October 28, 2021 – rev I

Lisa Dock, PE

Engineering Manager
City of Hanford, Public Works
900 S. 10th Avenue
Hanford, CA 93230



Subject: Design Proposal for the Police Parking Lot Expansion Project

Dear Mrs. Dock,

We have prepared a scope and fee for the services required to complete the proposed project design for the City of Hanford Police Parking Lot Expansion project. The project limits are bordered by Center St. to the north, Fuller Way to the south, and Douty St. to the east. Our understanding is that the scope of work will generally include the following improvements:

- Replacement of (2) Curb ramps
- Replacement of (1) Drive Approach.
- Full Pavement Section replacement of the parking lot. Our understanding is that pavement replacement will be restricted to be within the designated parking area for the Police Department and include the alley from Center St. to Fuller Way. The existing asphalt in Fuller Way will not be removed.
- Our understanding is that work within the parking lot area will only consist of the full pavement section replacement, surface improvements, minor storm drain improvements, signage, striping, pavement markings, entrance/exit gates, landscaping, and irrigation. The surface improvements will include curbs, valley gutter, curb ramp replacement, concrete sidewalk, and a drive approach replacement. The surface improvements are to be designed in compliance with City of Hanford standards and ADA guidelines.
- It is assumed that the City will lead and manage permitting with any utility companies as needed for the project.

The project design is to be completed so the City can bid the project by the end of February 2022 or earlier. Below you will find a breakdown of the tasks needed to complete this project.

Task 1: Project Kick-Off Meeting

- Provide the City of Hanford with a list of designated consultant contacts.
- Conduct a site visit prior to the Kick-off meeting and assess the conditions involving the design of the project.
- Develop a list of issues and questions and coordination items for the Project Kick-off meeting.
- Identify all necessary improvements that are needed for a complete design.
- Prepare and submit an initial project schedule.
- Define City and Consultant responsibilities.
- Review and discuss Scope and Budget.

The above **Task 1** services will be provided on a **Time and Materials basis with an Estimated Fee of \$1,970.**

Task 2: Procedure & Schedule for Abandonment

- Utility Research & Coordination
 - Show existing utility locations on construction documents.
 - Meet with utility companies at around the 50% design stage to determine if conflicts actually exist.
 - Work with utility companies to address and resolve identified conflicts.
 - Determine the need to reserve and expect from the closure the permanent easement and right at any time to construct, maintain, operate, replace, remove, and renew public utilities.
- Provide legal description and exhibit(s) for the alley abandonment and public utility easement (PUE).

The above **Task 2** services will be provided on a **Time and Materials basis with an Estimated Fee of \$3,600.**

324 S. Santa Fe, Suite A
Visalia, California 93292
www.4-creeks.com

Task 3: Conceptual Design

- Site Development
 - Civil – Modify existing conceptual layout of ADA parking stalls, sidewalk, security fencing (max height of 7-ft), traffic flow, wheel stops, curb planters, drainage improvements, gates, Knox box locations, and keyless entry system.
 - Landscaping - Provide one (1) tree for every four parking stalls (to include underground water, electrical, etc. per City specifications)
- Agency Coordination
 - Meet with property owners (Police Department and City of Hanford) to review and discuss the proposed improvements for the project.
 - Gather information from owners to incorporate into the design.
 - Prepare and submit conceptual site plan and preliminary cost estimate to owners for review and comment. **We are assuming a maximum of two (2) iterations for owner review and comments before proceeding to construction documents.**

The above **Task 3** services will be provided on a **Time and Materials** basis with an **Estimated Fee of \$4,318.**

For Task 4, Plans and Cost estimates will be provided at the 75%, 90%, and 100% final submittal stages. Specifications will be provided at the 75%, 90%, and 100% submittal stages.

Plans will be on 24x36 size sheets.

Task 4: Construction Documents

4Creeks anticipates providing the following plan sheets for the project:

- Cover Sheet
- General Notes
- Topographic Survey & Demolition Plans
- Parking Lot Site Plan (dimensions included)
- Grading & Drainage Plan
- Striping and Signage Plans
- Construction and City Standard Details
- Electrical Plans
- Electrical Details
- Landscape & Irrigation Plans
- Landscape & Irrigation Details

Below are the responsibilities of the following design disciplines:

- Civil
 - General notes and details
 - Demolition plans as required
 - Site plan with proposed improvements
 - Grade elevations of surface improvements
 - Accessibility details as needed
- Electrical
 - Electrical Drawings
 - Electric Gate Controls
 - Power Connections
 - Research and confirm existing electrical panel has enough capacity to serve the site for the renovation and provide necessary upgrade design (if needed).
- Irrigation
 - Plumbing design, plans, and specifications (City to provide master specifications for modification)
 - Irrigation Control System
 - Research and confirm the existing water lines have enough capacity to serve the site for the renovation.
- Landscape
 - Trees
- Cost Estimate

- Provide opinion of probable cost estimate based on the Construction Documents.
- Provide construction cost estimates at 75%, 90%, and 100% construction document sets.
- **Technical Specifications**
 - Provide technical specifications, special provisions, and bid item descriptions to complete the project.
 - Include City standard specifications.
 - Our understanding is that the City will provide their typical master technical bid document in word format and we will modify all of the information for this project.
- **Address Agency Plan Review Comments**
 - Provide plan check sets at 75% and 90% construction document sets.
 - We plan on holding 4 meetings with the City at the following stages Project Kickoff, 75%, 90% and 100% plan submittal stages.
 - Address plan check comments from the City at each submittal stage.

The above **Task 4** services will be provided on a **Time and Materials basis with an Estimated Fee of \$17,450.**

Optional Task 5: Construction Administration

- Attend the pre-construction meeting
- Respond to Requests for Information
- Review Submittals if requested by the City

The above **Task 5** services will be provided on a **Time and Materials basis with an Estimated Fee of \$3,930.**

Total Contract Amount without Optional Task 5 = \$27,338

Total Contract Amount with Optional Task 5 = \$31,267

City of Hanford Responsibilities

- Provide a copy of master technical specifications in Word format to consultant for modification
- Obtain and provide utility maps
- Perform potholing services as needed
- Provide record drawings for the project area if available
- Provide geotechnical data as necessary for the project
- Provide guidance to consultant scope of work questions

Exclusions

- Coordination with local utility companies
- Obtain utility maps
- Topographic survey of wet utility invert elevations
- Utility relocations
- Underground wet utility design for domestic water, fire water, and sanitary sewer
- Fire hydrant plans
- Construction staking
- Inspections or special inspections
- Any work not specifically listed in this scope of services.

We are very excited to submit this proposal and look forward to continuing to develop a strong working relationship with the City of Hanford. If you have any questions or need any additional information please feel free to give us a call to discuss.

Sincerely,



Kyle McDonald, PE 82531
Public Works Dept. Manager



Matthew D. Ainley, PE 66233
Principal-In-Charge

encl: 4Creeks, Inc. Fee Breakdown, 4Creeks Fee Schedule, Project Schedule

City of Hanford - Police Parking Lot Expansion - rev 1

Fee Breakdown

K. McDonald

Project Technician III	Project Tech IV	Associate Engineer	Engineer IV	Engineer V	Principal Engineer	Utility Designer II	Wood Architects	Eastham Engineering	4CG Construction	Assistant Surveyor	Principal Land Surveyor	Reimbursable Expenses Fee Varies	TOTAL
\$75	\$85	\$100	\$140	\$150	\$170	\$130	\$1.15	\$1.15	\$1.15	\$100	\$170		

Task 1 - Project Kick-Off Meeting

Site visit		2	2										\$480
Prepare list of issues		1	1										\$240
Prepare list of improvements		1	1										\$240
Project schedule			1										\$140
Review scope & budget			1	1									\$290
Kick-off Meeting w/ City			2	2									\$580
													\$1,970

Task 2 - Procedure & Schedule for

Abandonment

Draft Maps in Topo						4							\$520
Draft Conflict Maps						8							\$1,040
Draft Pothe Data in Topo						4							\$520
Provide Legals Descriptions & Exhibits										5	6		\$1,520
													\$3,600

Task 3 - Conceptual Design

Conceptual Civil Plans	10	4	4	2	1								\$2,180
Conceptual Landscape & Irrigation Plans							\$850						\$978
Agency Coordination & Meetings			4	4									\$1,160
													\$4,318

Task 4 - Construction Documents

75% PS&E Submittal	8	6	4	4	2	1							\$2,540
90% PS&E Submittal	8	6	4	4	2	1							\$2,540
100% PS&E Submittal	8	1	2	1	1	1							\$1,345
Landscape & Irrigation PS&E							\$3,400						\$3,910
Electrical PS&E								\$5,500					\$6,325
Project Management/Admin				1	1							\$500.00	\$790
													\$17,450

Optional Task 5 - Construction

Administration

Attend Precon Meeting			2	2									\$580
Respond to RFIs		4	2	1									\$830
Review Submittals		2	4										\$760
Subconsultant							\$1,530						\$1,760
													\$3,930

TOTAL:

34	13	24	34	18	4	16	\$ 5,780.00	\$ 5,500.00	\$ -	5	6	\$500.00	
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TOTAL CONTRACT AMOUNT w/o OPTIONAL TASKS = \$27,338

TOTAL CONTRACT AMOUNT w/ OPTIONAL TASKS = \$31,267

Effective June 1, 2020



4Creeks, Inc. Fee Schedule – Professional

Fees are based on the median hourly pay rate for employees in each classification, plus indirect costs, overhead, and profit. Fee schedules for the various billing categories are:

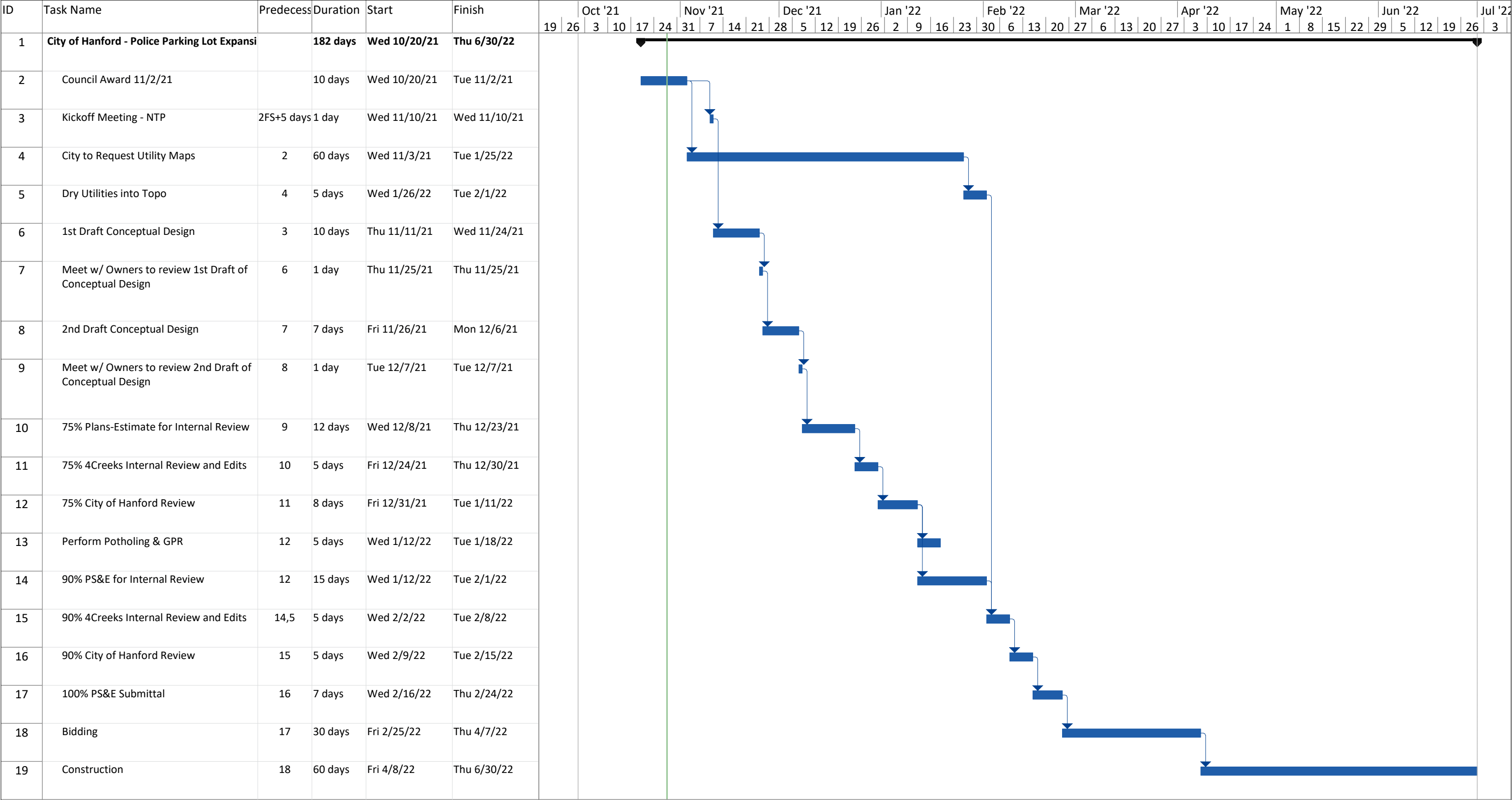
Classification	Charges Per Hour	Classification	Charges Per Hour
Civil Engineering Services		Construction Inspection (Non-Prevailing Wage)	
Associate Engineer	\$100	Construction Inspector I *	\$110
Engineer I	\$110	Construction Inspector II *	\$120
Engineer II	\$120	Construction Inspector III *	\$130
Engineer III	\$130	Construction Inspector IV *	\$140
Engineer IV	\$140	Construction Inspector V *	\$160
Engineer V	\$150		
Principal Engineer	\$170		
Planning Services		Construction Management	
Planner I	\$90	Construction Manager I	\$120
Planner II	\$105	Construction Manager II	\$130
Planner III	\$120	Construction Manager III	\$140
Planner IV	\$130	Construction Manager IV	\$150
Planner V	\$140	Senior Construction Manager	\$160
Planner VI	\$160		
Structural Engineering Services		Support Staff	
Structural Engineer I	\$125	Project Technician I	\$55
Structural Engineer II	\$135	Project Technician II	\$65
Structural Engineer III	\$145	Project Technician III	\$75
		Project Technician IV	\$85
		Project Technician V	\$95
		Drafter I	\$70
		Drafter II	\$80
GIS Services		Expert Witness	\$205
GIS Technician I	\$90	Drone Pilot	\$155
GIS Technician II	\$100		
Utility Design Services		Executive Staff	
Designer I	\$110	Executive I	\$120
Designer II	\$130	Executive II	\$130
Designer III	\$165	Executive III	\$140
Land Surveying Services		4Creeks Creative	
Assistant Surveyor	\$100	Creative Technician I	\$65
Land Surveyor I	\$110	Creative Technician II	\$75
Land Surveyor II	\$120	Creative Technician III	\$85
Land Surveyor III	\$130	Creative Technician IV	\$95
Land Surveyor IV	\$140	Programmer / Developer I	\$105
Land Surveyor V	\$150	Programmer / Developer II	\$115
Principal Land Surveyor	\$170	Creative Director	\$120
1-Man Survey Crew *	\$105	Director of Business Development	\$145
1-Man Survey Crew – Construction Staking *	\$115		
2-Man Survey Crew *	\$175		
2-Man Survey Crew – Construction Staking *	\$185		

Direct Charges

At cost plus fifteen percent (15%):

- Transportation and per-diem expenses (auto mileage @ current IRS rate, off-road charges \$50.00/day)
- Printing and reproduction: \$0.03 per b/w copy, \$0.12 per color copy, \$0.80 per sq. ft. large printing
- Equipment rentals, subcontractors, laboratory analyses
- Website Hosting Fees: \$15/mo. | \$150/annual

*Prevailing wage rates by separate schedule – Varies by County



Project: 21348-Police Parking Lot
Date: Thu 10/28/21

Task

Split

Milestone

Summary

Project Summary

External Tasks

External Milestone

Inactive Task

Inactive Summary

Manual Task

Duration-only

Manual Summary Rollup

Manual Summary

Start-only

Finish-only

Deadline

Progress

Manual Progress

820651

Police Department Parking Lot Expansion

Project Background:

This project will provide for the reconfiguration and redesign of existing parking spaces located east of the Police Station to provide for additional and more efficient parking. This project will also include fencing and gates to secure the area.

Existing Conditions:

Existing parking areas located east of the police station (east of alley) are inefficient and function poorly.

Project Justification:

The reconfiguration of parking in this area will add four parking stalls and allow for more efficient use of the space.

Fiscal Implications:

Funds for the Police Department Parking Lot Expansion Project shall be allocated from Police Impact Fees.

Project Budget Summary:

		5-Year Funding Allocation				
		2020	2021	2022	2023	2024
Expenditure	Program or Project		Construction			
	Engineering / Inspection	30,000				
	Construction		300,000			
	Contingency		30,000			
	Department Overhead		5,000			
Total Expenditure		\$30,000	\$335,000	\$0	\$0	\$0
Revenue	Funding					
	183 Police Impact Fees	30,000	335,000			
Total Funding		\$30,000	\$335,000	\$0	\$0	\$0

821643

Police Department Parking Lot Expansion

Project Background:

This project will provide for the reconfiguration and redesign of existing parking spaces located east of the Police Station to provide for additional and more efficient parking. This project will also include fencing and gates to secure the area.

Existing Conditions:

Existing parking areas located east of the police station (east of alley) are inefficient and function poorly.

Project Justification:

The reconfiguration of parking in this area will add four parking stalls and allow for more efficient use of the space.

Fiscal Implications:

Funds for the Police Department Parking Lot Expansion Project shall be allocated from Police Impact Fees.

Project Budget Summary:

		5-Year Funding Allocation				
		2021	2022	2023	2024	2025
Expenditure	Program or Project	Design	Construction			
	Engineering / Inspection	15,000				
	Construction		300,000			
	Contingency		30,000			
	Department Overhead	1,351	4,500			
Total Expenditure		\$16,351	\$334,500	\$0	\$0	\$0
Revenue	Funding					
	183 Police Impact Fees	16,351	334,500			
Total Funding		\$16,351	\$334,500	\$0	\$0	\$0

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 City of Hanford, CA
 2022 FINAL TRIAL BALANCE

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FUND 0183 POL IMP

ACCOUNT	DESCRIPTION	ORG	DEBIT	CREDIT
0183-100100-	CASH IN BANK	0183	88,745.77	
0183-130001-	CHNG-FAIR VALUE/INVESTMTS	0183	309.02	
0183-360000-	FUND BALANCE AVAILABLE	0183		36,330.78
0183-391000-	REVENUE CONTROL	0183		52,724.01
0183-394000-	BUDGETARY FUND BALANCE	0183	326,766.00	
0183-395000-	ESTIMATED REVENUES	0183	104,830.00	
0183-396000-	APPROPRIATIONS	0183		431,596.00
=====				
	FUND TOTALS		520,650.79	520,650.79
=====				
	GRAND TOTALS		520,650.79	520,650.79
=====				

DEBIT BALANCE	\$520,650.79+
APPROPRIATIONS	\$431,596.00-
FY21 CIP CARRY FWD	\$ 39,742.00+
AVAILABLE FUND BALANCE	\$128,796.79+

Attachment: FUND BAL 0183 (PW: Award a Contract for FY 20/21 Police Department Parking Lot

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 City of Hanford, CA
 YEAR-TO-DATE BUDGET REPORT

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FOR 2022 13

JOURNAL DETAIL 2022 1 TO 2022 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
21830000 POLICE PROTECTION IMP FEE							
81 CAP ASSETS CIP							
822639 POLICE DEPT PARKING LOT EXPN	431,596	0	431,596	.00	.00	431,596.00	.0%
TOTAL CAP ASSETS CIP	431,596	0	431,596	.00	.00	431,596.00	.0%
GRAND TOTAL	431,596	0	431,596	.00	.00	431,596.00	.0%

The CIP account 822639 is a
 FY22 account created for
 Construction.

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dcaietti

City of Hanford, CA
YEAR-TO-DATE BUDGET REPORT

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FOR 2021 13

JOURNAL DETAIL 2022 1 TO 2022 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
21830000 POLICE PROTECTION IMP FEE							
81 CAP ASSETS CIP							
800200 CAPITAL IMPRV PROJECTS	0	0	0	637.50	.00	-637.50	100.0%
820651 POLICE DEPT PARKING LOT EXPN	0	23,391	23,391	3,152.86	.00	20,238.25	13.5%
821643 POLICE DEPT PARKING LOT EXPN	16,351	0	16,351	588.66	.00	15,762.34	3.6%
821654 ARMORY BUILDING	0	0	0	73,868.32	.00	-73,868.32	100.0%
TOTAL CAP ASSETS CIP	16,351	23,391	39,742	78,247.34	.00	-38,505.23	196.9%
94 FUND RECLASS							
945000 OPERATING TRANSFERS OUT	0	0	0	262,000.00	.00	-262,000.00	100.0%
TOTAL FUND RECLASS	0	0	0	262,000.00	.00	-262,000.00	100.0%
GRAND TOTAL	16,351	23,391	39,742	340,247.34	.00	-300,505.23	856.1%

The two CIP accounts 820651 and 821643 are carry forward projects from FY21 to FY22.

Attachment: FUND BAL 0183 (PW: Award a Contract for FY 20/21 Police Department Parking Lot



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: K
---------------------------------	--------------------------

SUBJECT:

Public Works: Approval of a payment to King's Petroleum, for the purchase of unleaded fuel for Fleet Operations, in the amount is \$31,480.74.

RECOMMENDATION:

That the City Council, by motion, approve a payment to King's Petroleum, for the purchase of unleaded fuel for Fleet Operations, in the amount is \$31,480.74.

BACKGROUND:

Section 2.48.060 of the Hanford Municipal Code governs how the City must process the purchase of any goods or services that exceed \$20,000. As stated below, it requires that Council approve all purchases over that threshold. For the purpose of this invoice, it sets a different limit for Council's approval of fuels and other specific items:

Purchases exceeding twenty thousand dollars (\$20,000.00) may be made either on an informal basis or on a formal competitive basis as identified below. In either case, however, the decision as to the acceptance or rejection of any bid shall be the responsibility of the council. The provisions of this section 2.48.060 shall not apply to the purchase of fuels, bituminous materials, and aggregate base for street purposes and related delivery costs provided that any such purchase shall not exceed the sum of thirty thousand dollars (\$30,000.00).

With the implementation of new and updated Purchasing policies for the City, it is necessary for Council to individually approve this outstanding invoice. Due to the increase in fuel costs, this purchase exceeds the maximum \$30,000 threshold for fuel purchases referenced in the municipal code. Moving forward, staff will have Council approve annual contracts with vendors, based on negotiated prices, that will allow Council to approve "not to exceed" amounts for the Contract year. Tonight's approval is necessary to ensure the fleet vehicles can continue to operate until the new process can be fully implemented and contracts can be put in place.

FISCAL IMPACT:

Quotes were received from local vendors. There are sufficient funds available in the Fleet Operations account to fund this purchase.

ATTACHMENTS:

KING'S_PETROLEUM_INV#87338_W/QUOTES



PROPANE • GASOLINE • DIESEL • OIL
559.733.4717 • VISALIA, CA

City Of Hanford Corp

900 S 10th Ave
 Hanford, CA 93230

INVOICE

Customer #:	800350
Payment Terms:	Net 10
Invoice #:	87338
PO #:	22200485 FUEL
Invoice Date:	2021-10-29
Due Date:	Net 10th of the month
Total Due	\$31,480.74

Make Check Payable to: King's Petroleum LLC

Amount Enclosed: \$ _____

Remit To:

King's Petroleum LLC
 PO BOX 841318
 LOS ANGELES, CA 90084-131

00008003500000087338000314807400031480745

Customer Name		Delivery/Service Address		Cust #	Invoice #	Inv Date
City Of Hanford Corp		900 S 10th Ave - Hanford, CA 93230		800350	87338	2021-10-29
Quantity	Item Number	Description	Unit Price	TOTAL		
8321.00	Unleaded 10% Ethanol	Unleaded 10% Ethanol PO #: Delivered By: Chris G on 10/29/2021	\$3.1800	\$26,460.7		
1.00	Regulatory Compliance	Regulatory Compliance Fee	\$9.5000	\$9.5		
		AB 32 - .005/Gal:		\$41.6		
		California State - Gasoline - 2.25%:		\$692.5		
		California State Excise - Gasoline - .511/Gal:		\$4252.0		
		Federal L.U.S.T - .001/Gal:		\$8.3		
		Kings County - Standard:		\$0.0		
		Spill Fee - Gasoline - .00192/Gal:		\$15.9		

Tank/Equipment: Bulk Tank - 15000 Gallon Unleaded Tank

For Fuel or Service At:

900 S 10th Ave - Hanford, CA 93230

Sub Total	\$26,470.2
Charges	\$0.0
Tax Total	\$5,010.4
TOTAL DUE	\$31,480.7

City of Hanford - 10/29/21
 BOL #2691996

King's Petroleum LLC
 PO BOX 841318
 LOS ANGELES, CA 90084-131

Attachment: KING'S PETROLEUM_INV#87338_W/QUOTES (PW: Approve Fuel Purchase)



PROPANE • GASOLINE • DIESEL • OIL
559.733.4717 • VISALIA, CA

Date	10-29-21
BOL#	2691996
Ref#	
PO#	
Customer	

CIRCLE THE NUMBERS THAT APPLY

- #1 Excessive Load/Unload Time #4 Split Load
 #2 Split Delivery #5 Retain
 #3 Pump Out #6 Pump Charge

Loading Information

Arrival Time 1100
 Departure Time 1220
 Total Time _____
 Explanation _____

Unloading Information

Arrival Time 105
 Departure Time 130
 Total Time _____
 Explanation _____

	PRODUCT <u>87</u>	PRODUCT <u>87</u>	PRODUCT <u>87</u>	PRODUCT <u>87</u>
	GALS LOADED <u>2000</u> <u>1800</u>	GALS LOADED <u>700</u>	GALS LOADED <u>2</u> <u>2400</u>	GALS LOADED <u>3500</u>

Date: _____ Truck No: 12 Trailer No: 12A

THANK YOU FOR YOUR BUSINESS!

Delivered To:

CITY OF HANFORD

Address:

HANFORD

Product	Gallons		Before		After	
	Gross	Net	Inch	Gals	Inch	Gals
87	8400	8321		7076		100
89	87			5235		101
91						
Clear						
Red						
Total			Rack			
Gallon			FRESNO			

Retain/Diversion

From: _____
 To: _____
 Gallons: _____

Explanation of Additional Charges

489-1035-435

Drivers Printed Name:

OK [Signature]

Customer Signature:

Attachment: KING'S PETROLEUM_INV#87338_W/QUOTES (PW: Approve Fuel Purchase)

HIGHWAY TRANSPORTATION RECEIPT

15.K.a

KINDER MORGAN 4149 S. Maple Ave, Fresno, CA, 93725

ORIGINAL BILL OF LADING - NOT NEGOTIABLE (LOADING TICKET)

RECEIVED, THE PROPERTY DESCRIBED BELOW, IN APPARENT GOOD ORDER WHICH SAID TRANSPORTATION COMPANY (THE WORD "COMPANY" BEING UNDERSTOOD AS INCLUDING ANY PERSON OR CORPORATION IN POSSESSION OF THE PROPERTY) AGREES TO TRANSPORT AND DELIVER TO CONSIGNEE AT HIS USUAL PLACE OF DELIVERY (IF ON ITS OWN LONE ROUTE), OTHERWISE TO DELIVER TO ANOTHER CARRIER ON THE ROUTE TO SAID DESTINATION. IT IS MUTUALLY AGREED THAT THE TRANSPORTATION SERVICES HEREUNDER ARE SUBJECT TO ALL THE PRINTED TERMS AND CONDITIONS NOT PROHIBITED BY LAW, OF THE "TRANSPORTATION COMPANY'S" UNIFORM BILL OF LADING. "CONTRACT" OR "ANYWHERE-FOR-HIRE" SERVICES WILL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE CONTRACT, SERVICE ORDER OR OTHER AGREEMENT EXECUTED OR AGREED TO BETWEEN PARTIES HERETO WHEN NOT IN CONTRAVENTION OF ANY EXISTING LAW. WHEN MOVEMENT IS IN A VEHICLE OPERATED BY SHIPPER, OR OWNER OF PRODUCT, THIS DOCUMENT SERVES ONLY AS A RECEIPT FOR PRODUCT LOADED.

STATE EXCISE TAX, IF ANY, ON MOTOR VEHICLE FUEL COVERED BY THIS LOADING TICKET HAS BEEN ASSUMED AND WILL BE PAID BY THE SHIPPER.

CARRIER CERTIFIES THAT THE CARGO TANK SUPPLIED FOR THIS SHIPMENT IS A PROPER CONTAINER FOR THE TRANSPORTATION OF THIS COMMODITY AND COMPLIES WITH THE DEPT OF TRANSPORTATION SPECIFICATIONS AND REGULATIONS FOR THE TRANSPORTATION OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES.

THIS IS TO CERTIFY THAT THE BELOW-NAMED MATERIALS ARE PROPERLY CLASSIFIED, DESCRIBED, PACKAGED, MARKED, AND LABELED, AND ARE IN PROPER CONDITION FOR TRANSPORTATION, ACCORDING TO THE APPLICABLE REGULATIONS OF THE DEPT. OF TRANSPORTATION.

NOTE: NET VOLUME HAS BEEN ADJUSTED TO 60° F

Destination 0000000435 TAC 2 701 S Robinson Road Texarkana, TX 75501						FOR PRODUCT EMERGENCY Spill, Leak, Fire, Exposure or Accident CALL CHEMTREC-DAY OR NIGHT 800-424-9300 KINDER MORGAN CCN12469	
TRUCK NO. 12	TRUCK LICENSE NO.	TRAILER 1 NO. 12A	TRAILER 1 LICENSE NO. 4CZ7069	TRAILER 2 NO.	TRAILER 2 LICENSE NO.		
TERM NO. FR	HTR. NO. 0002691996	TIME Card IN: 11:54 Card OUT: 12:17	DATE 10/29/2021	DRIVER NO. 11800011	CARRIER KINGS PETROLEUM	ORDER NO.	

SHIPPER 0000000489
SHIRALIAN ENTERPRISES, INC.
2491 W Shaw Ave #123
FRESNO, CA 93711

CONSIGNEE 0000001035
Truman Arnold Companies
701 S Robison Rd
Texarkana, TX 75501

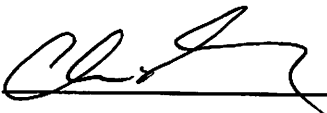
BAY NO: 8E

PRODUCT CODE	PRODUCT NAME	OCT.	TEMP.	GRAVITY	GROSS GALLONS	NET GALLONS
UN1203 GASOLINE, 3, PG II / 1 CARGO TANK						
QQQ110	CARB REG 10.0%ETH W/A10	87.0	73.6	59.1	8400	8321
QQQ038	ETHANOL (BASE)				840	833
QQQ078	CARBOB REG (BASE)				7560	7488

THIS GASOLINE CONTAINS DETERGENT ADDITIVE AS REQUIRED BY 40 CFR PART 80. E10 - CONTAINS NO MORE THAN 10% ETHANOL.

EPA DIESEL FACILITY ID - #4453-81834

SIGNATURE OF DRIVER:



CHRISTOPHER GIBSON

Packet Pg. 211

Attachment: KING'S PETROLEUM_INV#87338_W/QUOTES (PW: Approve Fuel Purchase)

FUEL QUOTE SHEET

15.K.a

Date:

Fri 10/29

Quote For:

Unleaded

Base Price

Company	Contact	Phone Number	FAX Number	Unlead	Diesel
G.V. Burrows Inc	Darryl <u>Ryan</u>	924-2064	924-9316	\$ 3.32	/per gal
J C Lansdowne	Ryan ryan@jclansdowne.com	651-1760	651-8156	\$ 3.48 ⁹	/per gal
Buford Oil	John/Leah	582-9028 / 816-2637/ 816-2638	582-1902	\$ 3.87 ⁸	/per gal
Silvas Oil	Carl carl.mccain@silvasoil.com fueldispatch@silvasoil.com	Small Loads / Big Loads 582-0221 / 445-1908	445-1910	3.18 ⁶⁹	/per gal
Interstate Oil	Roland	233-3221/ 349-8514	233-1532	\$ unable to deliver	/per gal
Kings Petroleum	Shanoor shirani@kingspetro.com	909-6330		\$ 3.18	/per gal
Gregs Petroleum Svc	Bob patricia@gregspetro.com	661-535-4900	661-535-4990	\$ 3.20 ⁵	/per gal

(Call Silva's Fresno number for truck/trailer loads (FLEET); Use the Hanford number for other Departments.)

REQUISITION NUMBER:

P.O. NUMBER:

Ordering Information

Company	Vendor No.	PO No.
G.V. Burrows, Inc	105591	
J C Lansdowne	105635	22100751
Buford Oil	105006	22100734
Silvas Oil	105011	22100766
Interstate Oil	104486	22100749
Kings Petroleum	105551	22200485
Gregs Petroleum	106520	

ORG	OBJECT
Fleet	20400000-743300
Utilities	20810000-778500
WWTP	20710000-778500

1 Load =
8,500 Gallons Unleaded
7,500 Gallons Diesel
2,000 WWTP Gallons

Road Tax:

Is added to every truck/trailer load as a separate entry.

(Do not add sales tax to road tax.)

(Do not add road tax to WWTP or Utilities.)

If they should ask:

\$.18 State Excise Tax (we pay)

\$.243 Federal Tax (we don't pay)

Locations: Tank 5 Grangeville / Centennial

Tank 6 Fargo / RR Tracks

Gas Type	Amount of Road Tax to Add
Diesel	\$1,265.40
Unleaded	\$1,504.80

ALWAYS ORDER:

- CLEAR DIESEL FOR FLEET
- RED DIESEL FOR GENERATORS

Tommy,
King Petroleum will deliver today. Once I receive the Confirmation sheet from them I will place it in you



FUEL PRICE QUOTE REQUEST

City of Hanford – Public Works
900 S. 10th Avenue
Hanford, CA 93230
P: (559) 585-2551
F: (559) 583-1529
bvenegas@cityofhanfordca.com

Friday, October 29, 2021

Kings Petroleum
Attn: Shanoor
F: (559) 909-6330
shirani@kingspetro.com

Please send a price quote on the following Fuel:

- ☒ Unleaded Fuel
- ☐ Clear Diesel
- ☐ Red Diesel (for Generators)

BASE PRICE:

Unleaded \$ / per gal.
Diesel \$ /per gal.

DELIVERY DATE:

Fri., October 29, 2021

Please fax fuel quote to: (559) 583-1529; or email to: bvenegas@cityofhanfordca.com

Thank you!

Attachment: KING'S PETROLEUM_INV#87338_W/QUOTES (PW: Approve Fuel Purchase)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: L
---------------------------------	--------------------------

SUBJECT:

Public Works: Acceptance of the Grant Deed from Brian D. McCutcheon, an unmarried man, dated October 26, 2021 for street widening purposes at Cedar Grove Street and 13th Avenue; Authorization for the City Manager to sign the deed certification and the City Clerk to file said deed with the Kings County Recorder's office.

RECOMMENDATION:

That the City Council, by motion, accept the attached Grant Deed from Brian D. McCutcheon, an unmarried man., dated October 26, 2021 for street widening purposes, and authorize the City Manager to sign the deed certification and the City Clerk to file said deed with the Kings County Recorder's office.

BACKGROUND:

The approval and construction of a new subdivision, Tract No. 929 Unit II by Woodside Homes, at the northwest and southwest corner of Cedar Grove Street and 13th Avenue requires an offer of dedication in order to construct infrastructure and street widening. The attached Grant Deed to the City provides the necessary right of way to facilitate the construction of the street improvements.

FISCAL IMPACT:

The Grant Deed for street widening purposes from Tract 929 Unit 2 Development, dated October 26, 2021 to the City is being made as part of the conditions of approval for the project and therefore at no cost to the City.

ATTACHMENTS:

Grant Deed APN 009-030-145

RECORDING REQUESTED BY:**When Recorded Mail Document and Tax
Statement To:**

Name: City of Hanford
319 N. Douty St.
Hanford, CA 93230

APN: 009-030-145

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED**The undersigned grantor(s) declare(s)****Documentary transfer tax is \$ None**

- | | |
|--------------------------|---|
| ☐ | computed on the full value of property conveyed, or |
| ☐ | computed on the full value less value of liens or encumbrances remaining at time of sale, |
| ☐ | Unincorporated Area (X) City of Hanford |

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Brian D. McCutcheon, an unmarried man

hereby GRANT(S) to:

CITY OF HANFORD, a Municipal Corporation,

Property in fee, over and across the real property in the City of Hanford, County of Kings, State of California, described as follows:

SEE EXHIBIT "A" ATTACHED FOR LEGAL DESCRIPTION AND PLAT, and CERTIFICATE OF ACCEPTANCE, attached hereto and made a part hereof.

DATE: October 26, 2021

Brian D. McCutcheon

By: 

BRIAN D. MCCUTCHEON

MAIL TAX STATEMENTS AS DIRECTED ABOVE

GRANT DEED

Attachment: Grant Deed APN 009-030-145 (PW: Acceptance of Offer of Dedication for Street Right-of-Way)

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

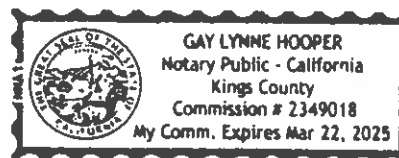
STATE OF CALIFORNIA
COUNTY OF Kings

On Oct 30, 2021 before me, GAY Lynne Hooper, Notary Public, personally appeared Brian D. McGutcheon, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL.

Signature GAY Lynne Hooper



Attachment: Grant Deed APN 009-030-145 (PW: Acceptance of Offer of Dedication for Street Right-of-Way)

EXHIBIT A

A portion of the Southwest Quarter, of the Northwest Quarter, of Section 22, Township 18 South, Range 21 East, MDB&M, according to the approved Government Township Plats thereof, in the City of Hanford, County of Kings, State of California described as follows:

Commencing at the Northwest corner of said Southwest quarter of the Northwest quarter of said Section 22;

Thence South $0^{\circ}06'53''$ West, along the West line of said Quarter, a distance of 320.00 feet to the True Point of Beginning;

Thence North $89^{\circ}50'45''$ East, parallel with the North line of said Section 22, a distance of 63.00 feet;

Thence South $0^{\circ}06'53''$ West, parallel with the West line of said Quarter, a distance of 180.00 feet;

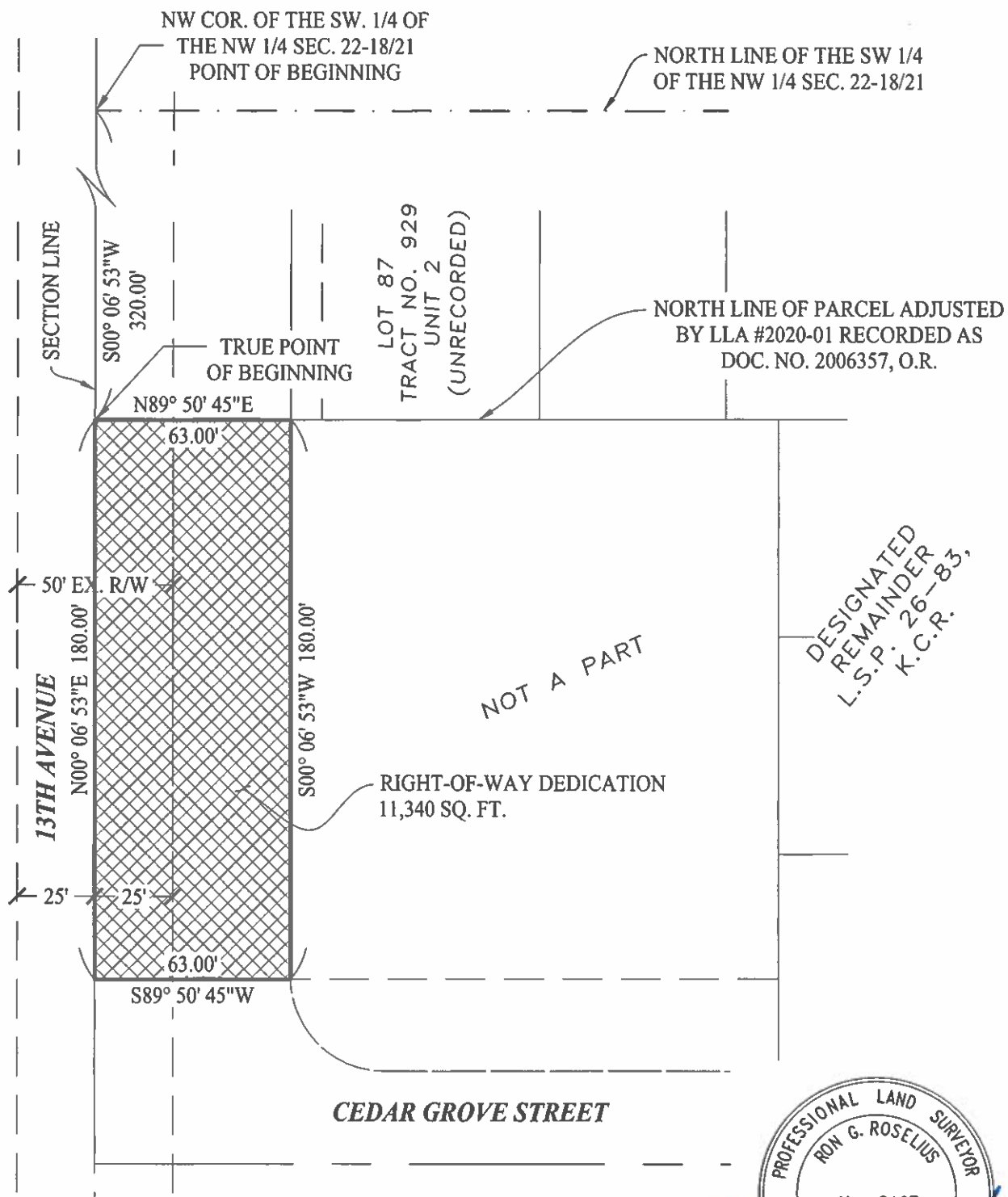
Thence South $89^{\circ}50'45''$ West, parallel with the North, line of said Section 22, a distance of 63.00 feet to the West line of said Quarter;

Thence North $0^{\circ}06'53''$ East, along last said West line, a distance of 180.00 feet to the True Point of Beginning;

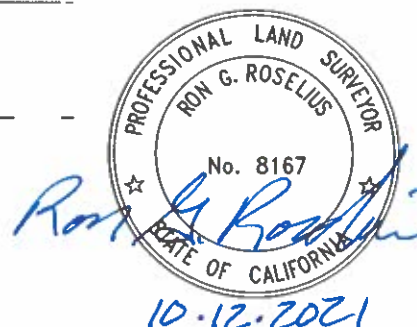
Containing 11,340 square feet, more or less.



EXHIBIT "A"



0 25 50
SCALE: 1"=50'



CIVIL ENGINEERS
**ZUMWALT
HANSEN &**
LAND SURVEYORS

609 N. Irwin St.
Hanford, CA 93230
Office: (559) 582-1056
Fax: (559) 584-4143

**63' WIDE
RIGHT-OF-WAY
DEDICATION**

Job No. 0778013
Drawn By: MO
Checked By: RR
Indexed By:
Date: 7/23/2021

Sheet No.

1 of 1

DEED CERTIFICATION

This is to certify that the interest in real property conveyed by the Grant of Easement Deed dated _____, 2021 from Brian D. McCutcheon, to the CITY OF HANFORD, a municipal corporation, is hereby accepted by order of the City Council of the City of Hanford and the Grantee consents to recordation by its duly authorized officer.

DATED: _____, 2021

CITY OF HANFORD,
a municipal corporation

By: _____
For: Mario Cifuentez, City Manager

Attest: _____
Natalie Corral, City Clerk

Attachment: Grant Deed APN 009-030-145 (PW: Acceptance of Offer of Dedication for Street Right-of-Way)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: M
---------------------------------	--------------------------

SUBJECT:

Public Works: Award a contract to TBS Construction of Madera Ca, in the amount of \$257,278.78 for the FY 20/21 CDBG Lacey Park Basketball Courts Project, establish a construction contingency of \$25,000.00 for this project, appropriate an additional \$64,319.70 from the Park Impact Fee Reserve Fund and \$40,359.08 from the Accumulated Capital Outlay Reserve Fund to fully fund the project.

RECOMMENDATION:

That the City Council, by motion:

1. Award a contract to TBS Construction of Madera Ca, in the amount of \$257,278.78 for the FY 20/21 CDBG Lacey Park Basketball Courts Project.
2. Establish a construction contingency of \$25,000.00 for this project
3. Appropriate an additional \$64,319.70 from the Park Impact Fee Reserve Fund to fully fund the project.
4. Appropriate an additional \$40,359.08 from the Accumulated Capital Outlay Reserve Fund to fully fund the project.

BACKGROUND:

The City of Hanford's 2020 Parks and Recreation Master Plan has identified the need to renovate and increase the number of outdoor basketball courts within the city. Lacey Park is centrally located and receives heavy usage by youth and adult basketball players. The renovation and addition of one court will provide year-round benefits to the community.

The Lacey Park improvements include the removal of three asphalt basketball courts and replacement with four cement basketball courts. Additional lighting will be added for the additional court. The current asphalt court surface is weathered, cracking and creating an uneven and unsafe playing surface for players.

The cement court replacement will greatly reduce the ongoing maintenance/repairs required, add one additional basketball court and provide a safe surface for all the players for many years. This project is an eligible use of HUD's CDBG funds because Lacey Park is located in a low to moderate income HUD eligible area. The park is located in Census Tract 9.00 block groups 1,4,5,6, and 7.

The contract stipulates that the project will be completed in (45) days from the date of Notice to Proceed. For each day of delay beyond the approved time, the Contractor shall be assessed \$500.00 per day liquidated damages. If approved, work on this project is expected to begin Dec 2021.

FISCAL IMPACT:

The FY 20/21 CDBG Grant Amount provides \$177,600.00 for this project. An additional appropriation of \$64,319.70 from the Park Impact Fee Reserve and an additional appropriation of \$40,359.08 from the Accumulated Capital Outlay Reserve is required to fully fund this project for construction including contingencies. There is currently a fund balance of \$4,200,000 in the Park Impact Fee Reserve account.

ATTACHMENTS:

Grant Funds

Lacey Park Basketball Courts-SIGNED PLANS

Authority to Use Grant Funds

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

15.M.a

To: (name & address of Grant Recipient & name & title of Chief Executive Officer)

Mario Cifuentes II, City Manager
City of Hanford
317 N. Douty St.
Hanford, CA 92330

Copy To: (name & address of SubRecipient)

We received your Request for Release of Funds and Certification, form HUD-7015.15 on

5/7/2021

Your Request was for HUD/State Identification Number

B-20-MC-06-0061

All objections, if received, have been considered. And the minimum waiting period has transpired.
You are hereby authorized to use funds provided to you under the above HUD/State Identification Number.
File this form for proper record keeping, audit, and inspection purposes.

Lacey Park Improvements Project

Approximately \$177,600 in CDBG funds will be used for improvements to Lacey Park. This includes re-asphalt of the current basketball courts and the addition of a new one. The current court surface is cracking and creating an uneven and unsafe playing surface for players. The park is located at 112 E Florinda, Hanford, CA 93230. The park is within a low and moderate income Census Tract 9.00 block groups 1, 4, 5, 6, and 7.

CDBG National Objective: Low-Moderate Area Benefit 570.208(a)(1) - LMA

CDBG Eligible Activity: 03F - Parks, Recreational Facilities 24 CFR 570.201(c)

No comments were received on the Notice to Public of Intent of Finding of No Significant Impact and Intent to Request for Release of Funds during the public comment review period from April 24, 2021 to May 4, 2021.
The earliest date of release of funds is 5/24/2021.

Attachment: Grant Funds (PW: Award a Contract for FY 20/21 CDBG Lacey Basketball Courts Project)

Typed Name of Authorizing Officer

Kimberly Y. Nash

Title of Authorizing Officer

CPD Director for NorCal, NV, & AZ

Signature of Authorizing Officer

X ANGELO TOM

Digitally signed by ANGELO T
Date: 2021.06.16 22:01:57 -07

Date (mm/dd/yyyy)



VICINITY MAP

SCALE: 1"=500'

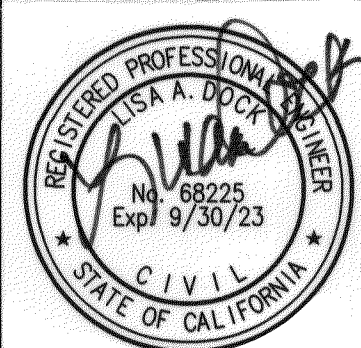
NOTE:
IN AREAS WHERE
LANDSCAPE/IRRIGATION SYSTEMS
ARE DAMAGED DUE TO
CONSTRUCTION, CONTRACTOR SHALL
REPLACE LANDSCAPE IN KIND AND
RELOCATE/RESTORE IRRIGATION
SYSTEM TO INDUSTRY STANDARD
WORKING ORDER, UNLESS
OTHERWISE NOTED ON PLANS.

CONSTRUCTION UTILITY CONFLICT NOTE:
THE CONTRACTOR SHALL POTHOLE ALL POTENTIAL
CONFLICT LOCATIONS PRIOR TO CONSTRUCTION
AND ADJUST ALIGNMENT AS NECESSARY

WHERE UNDERGROUND AND SURFACE STRUCTURES ARE SHOWN ON THE
PLANS, THE LOCATIONS, DEPTH, AND DIMENSIONS OF SUCH STRUCTURES
ARE BELIEVED TO BE REASONABLY CORRECT BUT ARE NOT GUARANTEED.
INFORMATION GIVEN IS NOT TO BE CONSTRUED AS A REPRESENTATION
THAT SUCH STRUCTURES WILL, IN ALL CASES, BE FOUND OR ENCOUNTERED
JUST WHERE SHOWN OR THAT THEY REPRESENT ALL THE STRUCTURES
WHICH MAY BE ENCOUNTERED. IT WILL BE THE CONTRACTOR'S
RESPONSIBILITY TO LOCATE AND PROTECT OR REMOVE ALL STRUCTURES
AS THE CASE MAY BE.

THE CONTRACTOR SHALL CONTACT ALL UTILITY COMPANIES INCLUDING
THE CITY OF HANFORD FOR FIELD LOCATION OF EXISTING FACILITIES.
TELEPHONE UNDERGROUND SERVICE ALERT AT 1-800-642-2444 AND
THE CITY OF HANFORD AT 559-585-2570 A MINIMUM OF 48 HOURS
PRIOR TO THE START OF ANY WORK.

SHEET
1 OF 4

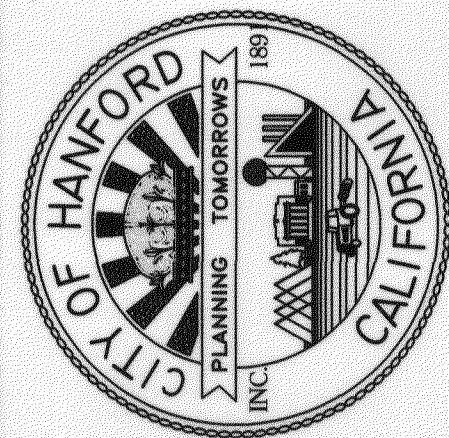


APPROVED

Lisa Dock

9-24-21

APPROVAL DATE



CITY OF HANFORD

ENGINEERING DIVISION

900 S. 10TH AVENUE PH. (559) 585-2550

PROJECT TITLE

F.Y. 20/21

LACEY PARK BASKETBALL COURTS

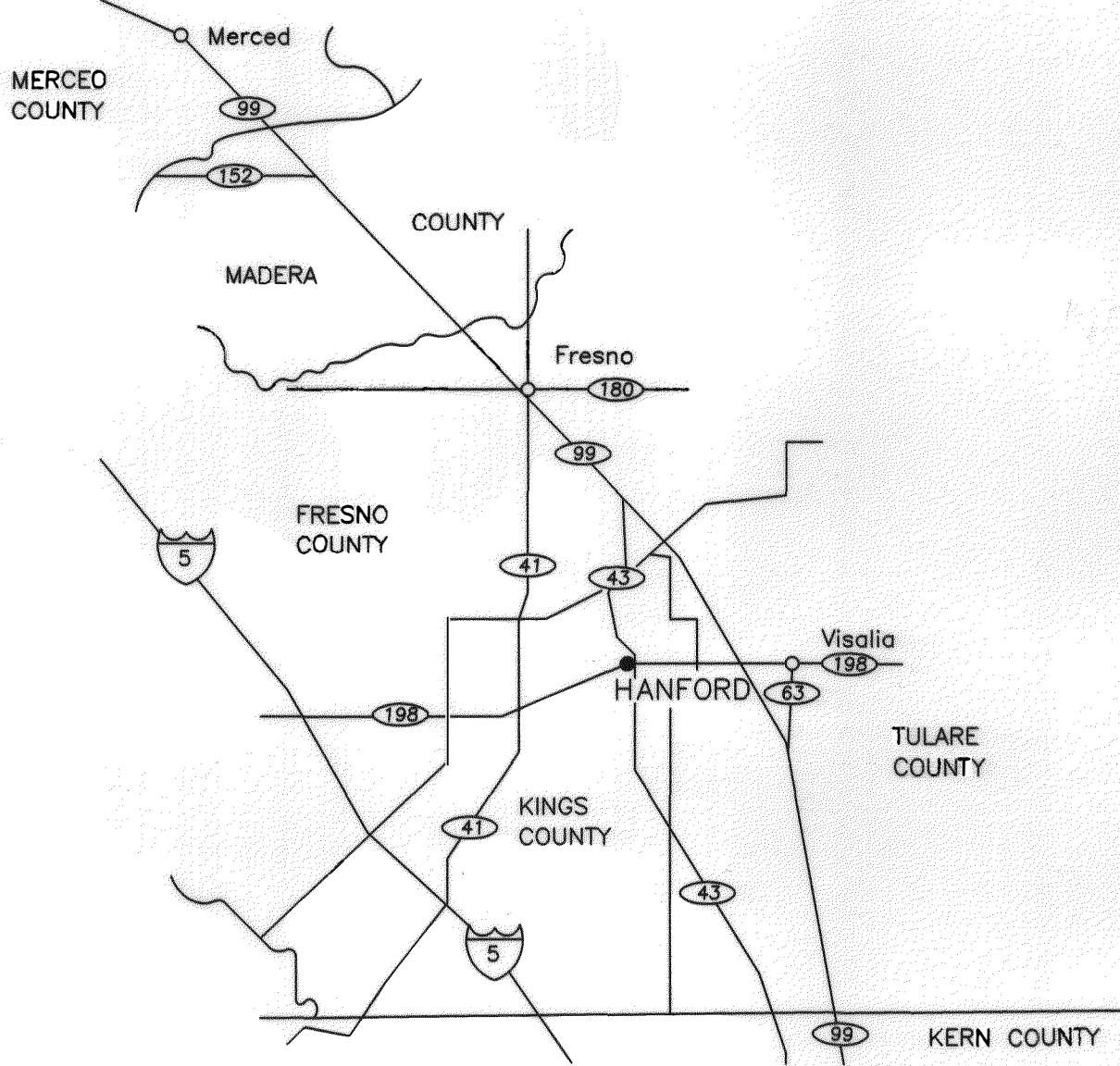
LACEY PARK - DOUTY STREET AT FLORINDA STREET

CITY OF HANFORD

DEPT. OF PUBLIC WORKS, ENGINEERING DIVISION

CONTACT INFORMATION

PUBLIC WORKS DIRECTOR/CITY ENGINEER, JOHNNATHAN DOYAL (559)559-2571
ENGINEERING MANAGER, LISA DOCK (559)585-2555
UTILITIES SUPERINTENDENT, BOB WILLIAMS (559)585-2560
SOUTHERN CALIFORNIA EDISON CO., KENNY SANTIAGO (559)684-3521
AT&T, KEVIN TATE (559) 739-6423
SOUTHERN CALIFORNIA GAS CO., CHAD MUELLER (559) 739-2241
COMCAST, MIKE CORRAL (559)735-2104
LEVEL 3 COMMUNICATIONS (FIBER), BARRY CISNEROS (559)259-1880
USA 811 OR 1-800-642-2444
BNSF, JOHN FLEMING (209)460-6175
PROJECT ENGINEER, LISA DOCK (559)585-2555

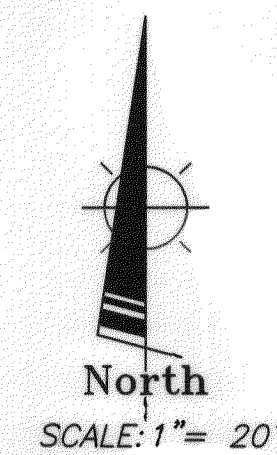


F.Y. 20/21 LACEY PARK BASKETBALL COURTS LACEY PARK - DOUTY STREET AT FLORINDA STREET

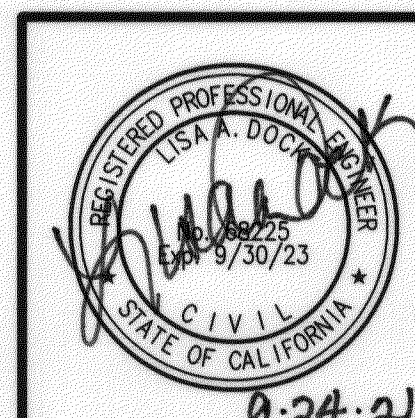
SHEET INDEX

1. TITLE SHEET
2. TOPO AND DEMOLITION PLAN
3. CONSTRUCTION PLAN
4. ELECTRICAL PLAN

N O T E



**Know what's below.
Call before you dig.**



9.24.21

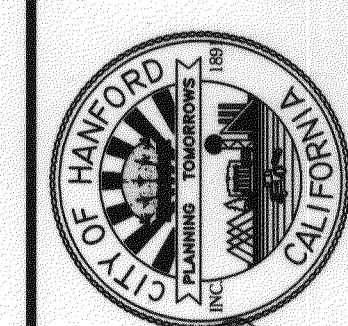
DRAWN BY	
DATE:	9/9/
JOB No.	821647
SHEET	2
OF 4	SHEETS

OF SHEETS

[illegible]

FY 20/21
LACEY PARK BASKETBALL COURTS
TOPO AND DEMOLITION PLAN

CITY OF HANFORD
DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION



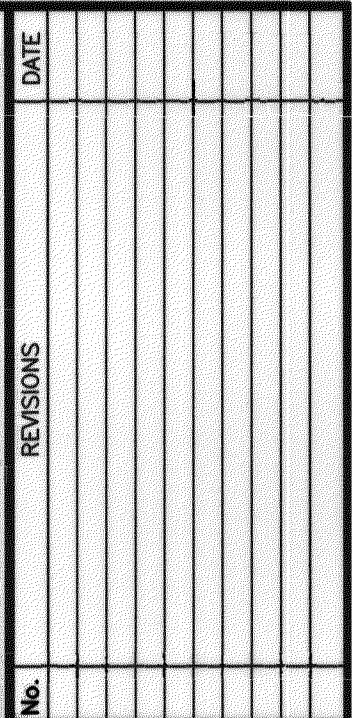
DESIGNED BY: 

CHECKED BY: _____

DRAWN BY _____
DATE: 9/9/_____
JOB No. 821647

SHEET 2
OF 4 SHEETS

OF SHEETS



FY 20/21
LACEY PARK BASKETBALL COURTS
CONSTRUCTION PLAN

CITY OF HANFORD
DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION



DESIGNED BY 

CHECKED BY: _____

DRAWN BY SD/TCD

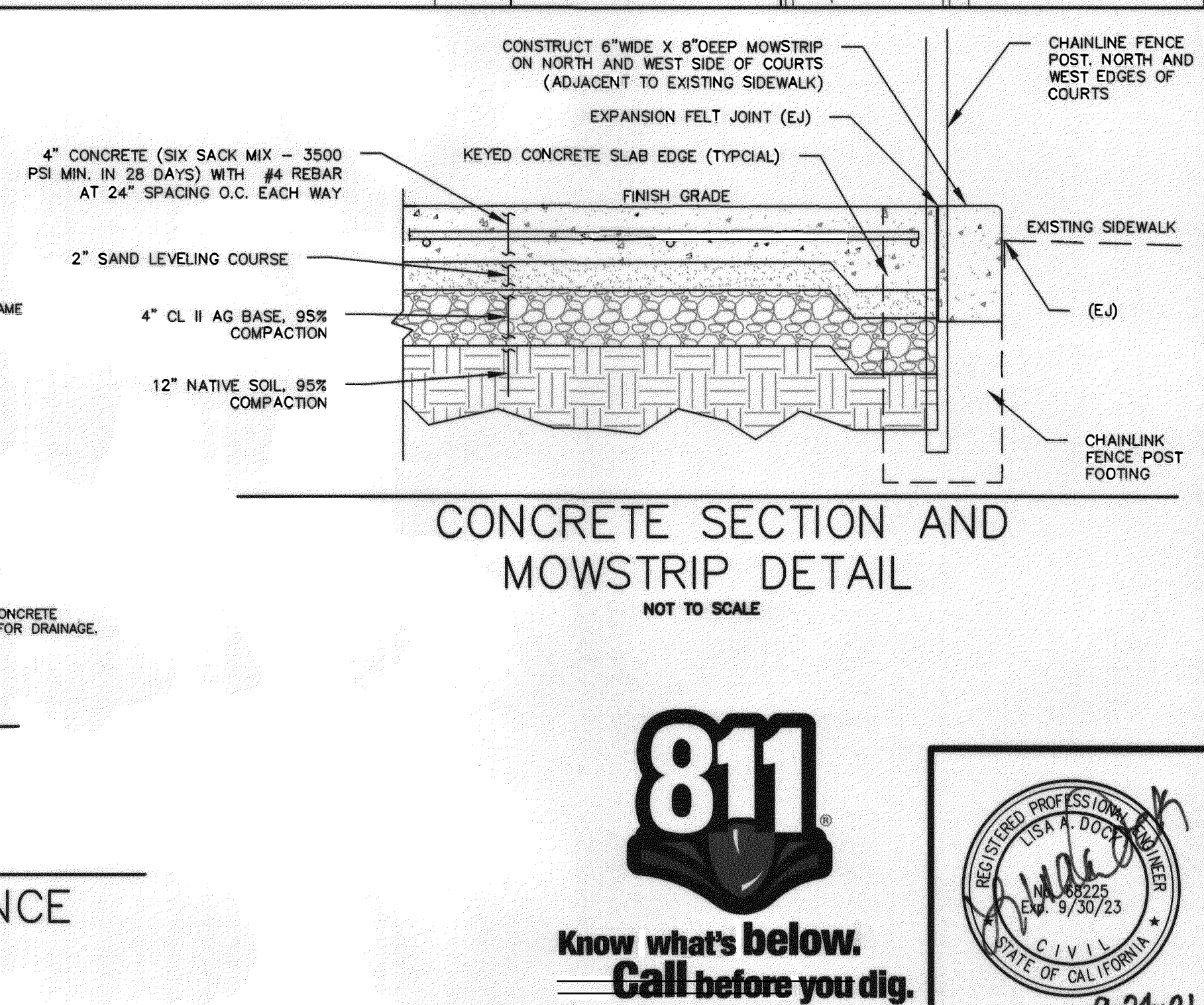
DATE: 9/9/2021

JOB No. 821647

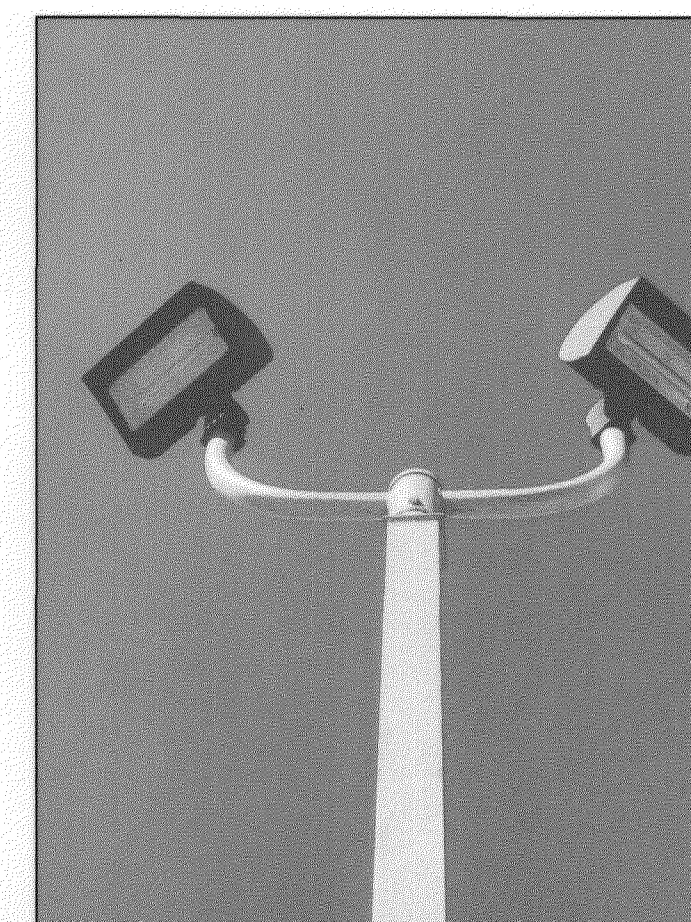
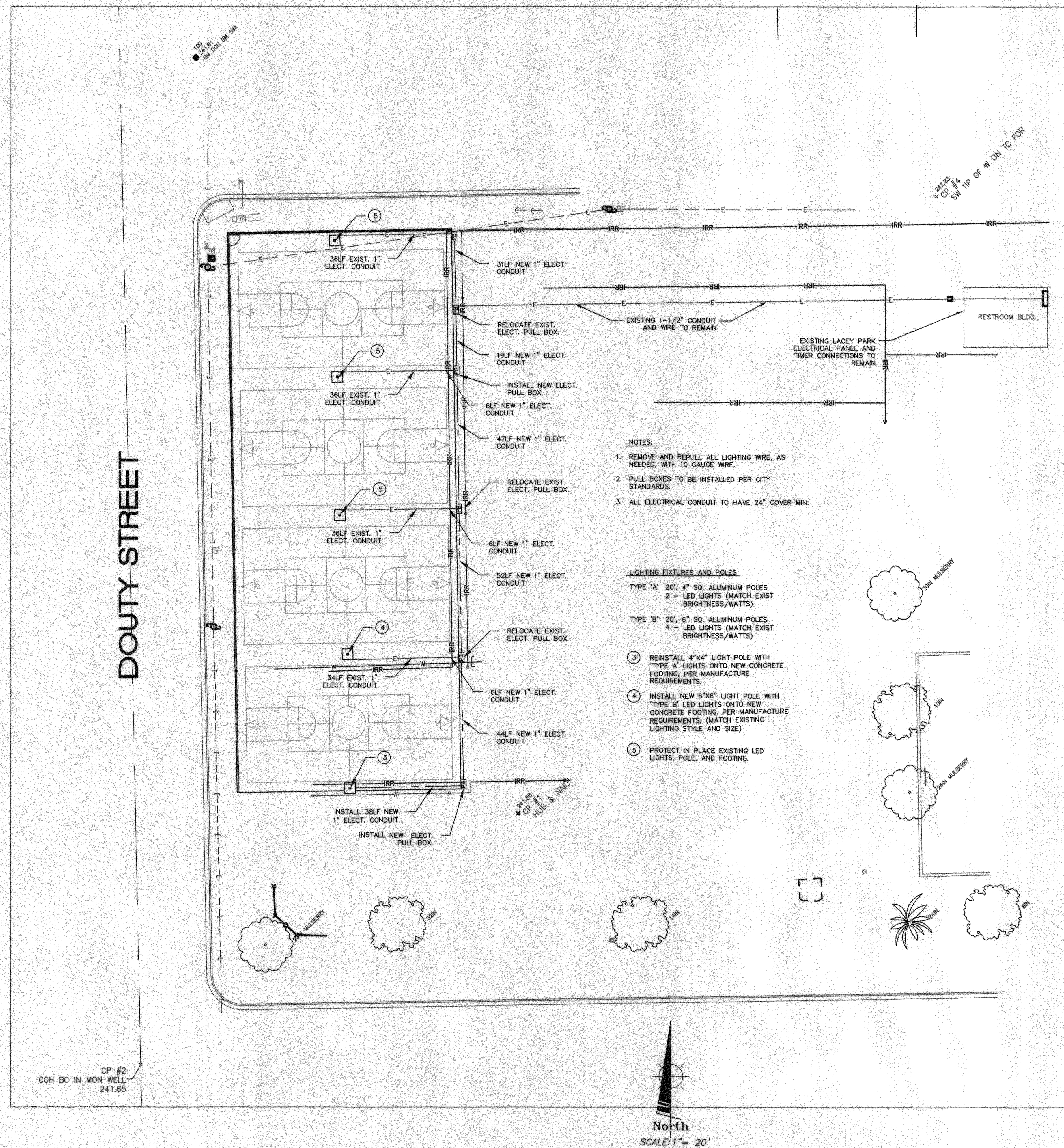
SHEET 3

OF 4

Packet Pg. 22



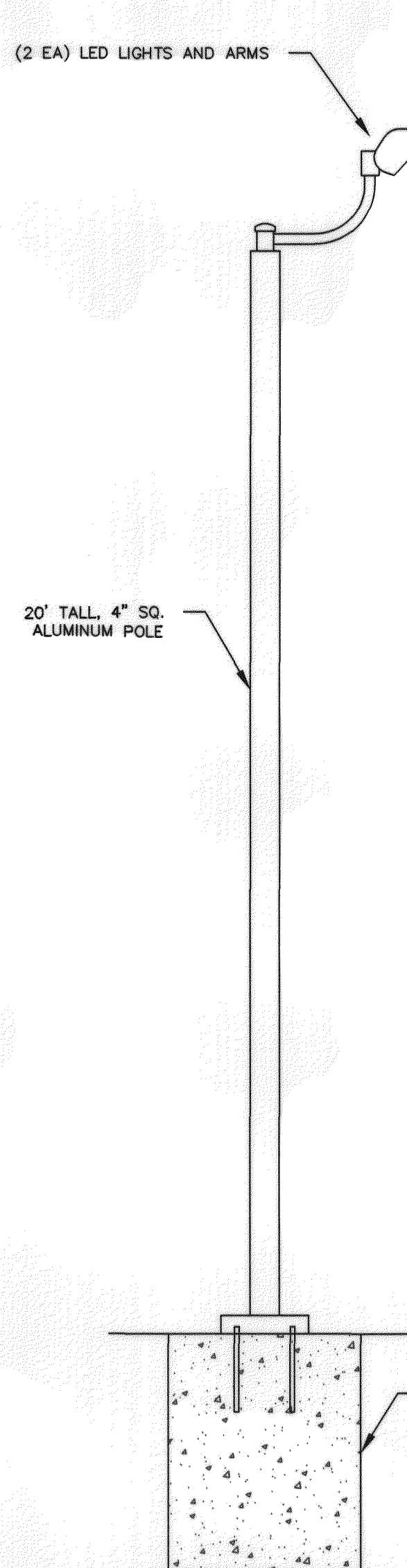
FLORINDA STREET



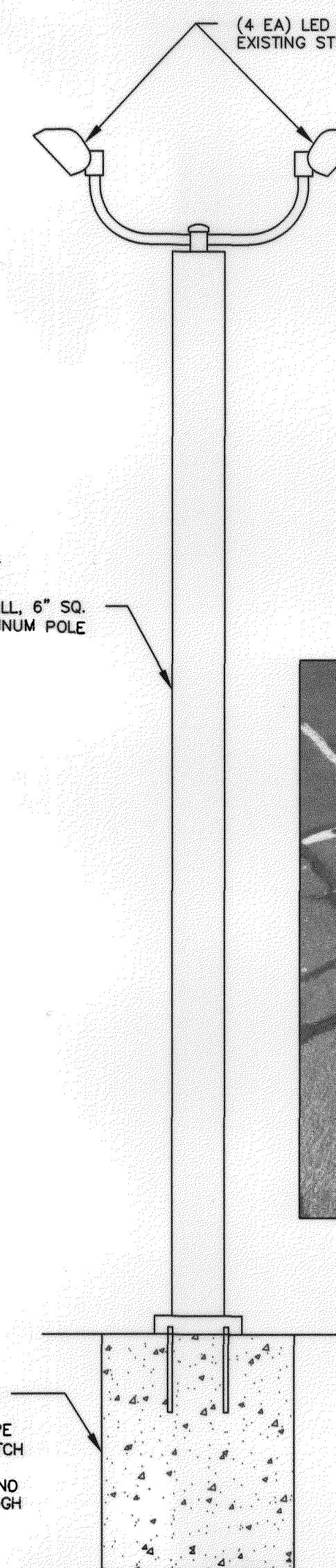
(2 EA) LED LIGHTS AND ARMS



(4 EA) LED LIGHTS AND ARMS. NEW TO MATCH
EXISTING STYLE, BRIGHTNESS, AND WATTAGE



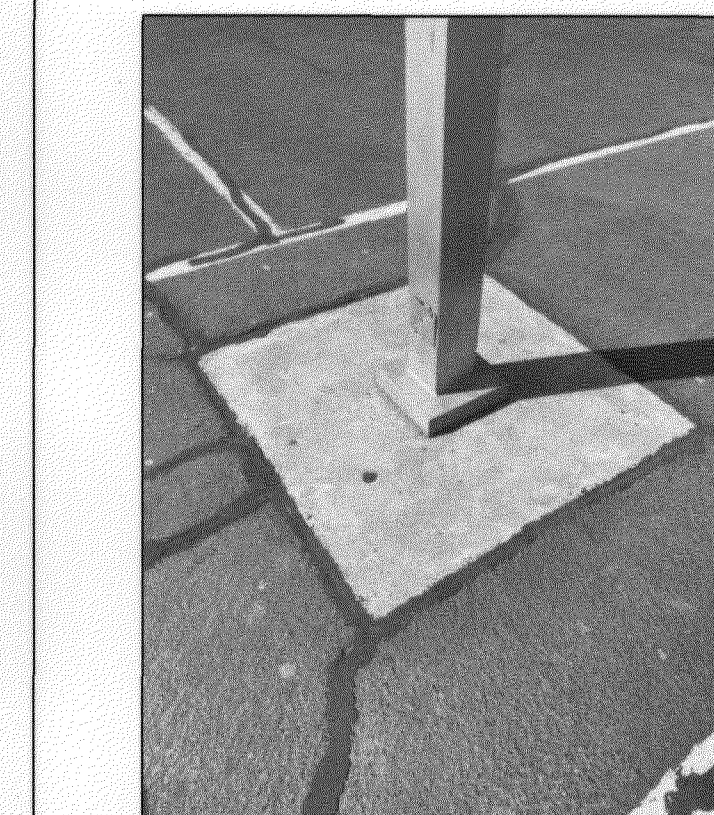
TYPE 'A'
(EDGE OF COURTS)



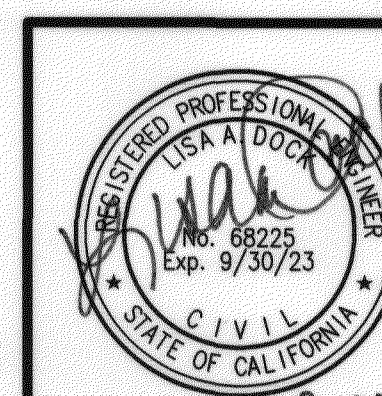
TYPE 'B'
(CENTER OF COURTS)

LIGHT POLE DETAIL

NOT TO SCALE

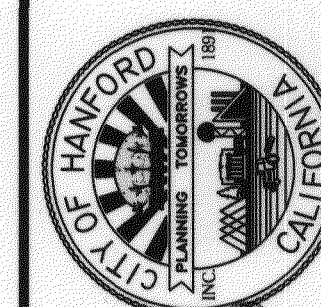


**Know what's below.
Call before you dig.**

[illegible]

FY 20/21
LACEY PARK BASKETBALL COURTS
ELECTRICAL PLAN

CITY OF HANFORD
DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION



DESIGNED BY: 

CHECKED BY: _____

DRAWN BY SD/TCD

DATE: 9/9/2021

JOB No. 821647

SHEET

OF 4 SHEET



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: N
---------------------------------	--------------------------

SUBJECT:

Public Works: Authorization to Advertise for Bids for the Drilling and Development Phase of the FY 20/21 New Water Supply Wells Project and Pre-Authorize the City Manager to award and execute the contract on behalf of the City to the lowest responsible bidder providing project bid is within current budget appropriation.

RECOMMENDATION:

That the City Council, by motion, authorize staff to advertise for bids for the Drilling and Development Phase of the FY 20/21 New Water Supply Wells Project, and Pre-Authorize the City Manager to award and execute the contract on behalf of the City to the lowest responsible bidder providing project bid is within current budget appropriation.

BACKGROUND:

This project funds the installation of (2) new deep water wells and associated pumping equipment to provide additional City water supply and service reliability. The City water system currently has 13 active water supply wells and one stand-by emergency well. The wells have a total production capacity of approximately 26 million gallons per day.

These wells will replace City Wells 33 and 44. Well No. 33 (located at the City Corporation Yard) has Arsenic levels that are above the standards and the well has been in use for nearly 40 years and needs to be replaced. Well No. 44 (located at Tank 6 on Fargo Avenue) failed last year due to subsidence and was unable to be repaired.

After bid opening, Staff will examine the bids, validate the lowest bidder's contractor's license status, and verify the contractor is in good standing. Staff is requesting the pre-authorization to award and execute the contract in order to expedite the process of delivery of projects. With Council approval, staff will solicit bids for this project. If awarded, drilling and development is anticipated to begin in Spring 2022.

FISCAL IMPACT:

The FY 20/21 391 Water Capital and 185 Water Impact Fees budget provides \$2,041,712.00 for design and construction, including contingencies. A copy of Budget Page is attached for Council review.

ATTACHMENTS:

Well 51 Fargo & BNSF
Well 52 Public Works Corp Yard
Budget Page FY 20.21



Red Circle is
proposed Well
Location

BNSF

15.N.a

Glacier Way Park

Project Name: Well 51

Site Address: Fargo & BNSF / Well 44

Project Contacts:

Jennifer Minear
Project Manager
559-585-2559

Bob Williams
Utility Supervisor
559-585-2560

Attachment: Well 51 Fargo & BNSF (PW: Permission to Advertise the FY

Chinese Sam
Yup Cemetery

Hanford BMX

Red circle represents
the new test hole /
well location (N/E
Corner of PW Corp
Yard

Project Name: Well 52

Site Address: 900 S. 10th Avenue, Hanford CA

Project Contacts:

Jennifer Minear
Project Coordinator
559-585-2559

Bob Williams
Utilities Supervisor
559-585-2560

City of Hanford Public
Works Department

Hanford Soccer Complex

New Water Supply Well

Project Background:

This project funds the installation of a new deep water well and associated pumping equipment to provide additional City water supply and service reliability.

Existing Conditions:

The City water system currently has 13 active water supply wells and one standby emergency well. The wells have a total production capacity of approximately 26 million gallons per day.

Project Justification:

As development occurs the need to provide additional water capacity and service reliability is necessary. This project would provide funding to install a new deep well as needed.

Fiscal Implications:

Funding for the new water supply well will be allocated from water capital reserves.

Project Budget Summary:

		5-Year Funding Allocation				
	Program or Project	2021	2022	1	2	
		Design	Construction	Design	Construction	
Expenditure	Engineering	35,000		35,000		
	Consultant	95,000		80,000		
	Equipment		350,000		350,000	
	Construction		1,400,000		1,400,000	
	Contingency		140,000		140,000	
	Department Overhead	11,712	10,000	15,000	10,000	
	Total Expenditure	\$141,712	\$1,900,000	\$0	\$130,000	\$1,900,000
Revenue	Funding					
	391 Water Capital		500,000		500,000	
	185 Water Impact Fees	141,712	1,400,000	130,000	1,400,000	
	Total Funding	\$141,712	\$1,900,000	\$0	\$130,000	\$1,900,000



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: A
---------------------------------	--------------------------

SUBJECT:

Clerk: Conduct the Second Public Hearing to receive input from the community regarding the redrawing of City Council Redrawing of City Council Member District Boundaries

RECOMMENDATION:

1. Receive a report from staff and the City's redistricting consultant on the redistricting process and permissible criteria to be considered to redraw district boundaries; and
2. Conduct a public hearing to receive public input on district boundaries.

BACKGROUND:

Pursuant to Election Code section 21601, cities with by-district election systems are required to redraw their district boundary maps to ensure compliance with the California and federal Voting Rights Acts. The process to complete the redistricting requires a minimum of four public hearings and dedicated public outreach to ensure minority populations and communities of interest are aware of the redistricting effort and are provided with options to participate. The first public hearing was held on October 19, 2021.

The purpose of this public hearing is to inform the public about the districting process and to hear from the community on any factors that they believe should be taken into consideration while creating district boundaries. The public is requested to provide input regarding communities of interest and other local factors that should be considered while drafting district maps. A community of interest under the relevant Elections Code for cities (Section 21621(c) is, "a population that shares common social or economic interests that should be included within a single district for purposes of its effective and fair representation."

Possible features defining community of interest might include, but are not limited to:

1. School attendance areas;
2. Natural dividing lines such as major roads, hills, or highways;
3. Areas around parks and other neighborhood landmarks;
4. Common issues, neighborhood activities, or legislative/election concerns; and
5. Shared demographic characteristics, such as:
 - Similar levels of income, education, or linguistic isolation;
 - Languages spoken at home; and
 - Single-family and multi-family housing unit areas.

Next Steps

Following tonight's hearing, Best Best & Krieger will begin drafting potential maps for Council's consideration. These maps will be considered during Public Hearing #3, January 18, 2022 and Public Hearing #4, February 15, 2022. Prior to Public Hearing #3, draft district maps and proposed election sequencing will be posted to the City website and available at City Hall.

Staff is planning to have future workshop to be held on a Saturday. The date is to be determined.

FISCAL IMPACT:

There is no fiscal impact associated with the recommended action.

ATTACHMENTS:



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: A
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SUBJECT:

Public Works: Approval of a contract with Quinn of Selma, CA. for the purchase and installation of a new radiator for the emergency generator located at Tank 5 in the amount of \$70,487.62 and approval of an additional appropriation of \$70,487.62 from Water Capital Reserves.

RECOMMENDATION:

That the City Council, by motion:

1. Approve the purchase and installation of a new radiator for the emergency generator located at Tank 5 from Quinn of Selma, CA in the amount of \$70,487.62; and
2. Approve an additional appropriation of \$70,487.62 from Water Capital Reserves.

BACKGROUND:

The potable water system in Hanford includes 12 wells and three tank sites. Tanks are used to store water prior to distribution and to maintain system pressure. Tank 5 is located near the intersection of Grangeville and Centennial. In order to ensure operability during power outages, the site is equipped with an emergency generator that starts automatically when Utility power fails.

In mid-October during a routine equipment check, it was discovered that the radiator on the generator had a severe leak and needed to be repaired. In the meantime, the generator could continue to operate as needed, but a constant flow of water would be required.

Quinn, the area's only authorized dealer and repair center for this piece of equipment, was contacted. After assessing the damage, Quinn provided a quote of \$41,072 to remove and reinstall the repaired radiator. Because they could not readily assess the damage to the radiator, an additional quote for repair would be given once they were able to evaluate the damage. In addition, because the time required to remove, repair, and replace the radiator was expected to take several weeks, they provided a quote of \$32,541 to rent a temporary standby generator for the site.

In an attempt to minimize down-time and cost, City requested a quote for the purchase and installation of a new radiator (as opposed to repairing the existing one). Quinn provided a quote of \$70,487.62 with an expected installation time of one week. Because continued operation of the Tank 5 site is a critical part of the water system, staff authorized Quinn to order the new radiator. The expected lead time is 14 weeks, meaning that the equipment will be delivered mid-January.

Since January is a low demand month for the water system, staff believes that the system will function adequately during the one week of installation, thus avoiding the need for a portable standby generator.

In short, the expected cost to purchase and install a new radiator is \$70,487. The cost to repair and reinstall the existing radiator and provide a rental generator for the duration would be about \$73,000 **PLUS** the cost of repair.

FISCAL IMPACT:

An appropriation of \$70,487.62 is needed from Water Capital Reserves to fund this project. There are sufficient reserve funds available to cover this purchase without impacting future planned projects.

ATTACHMENTS:

Quinn quotes.pdf



Quote No: 103166 - 1

CITY OF HANFORD - PUBLIC WORKS
 Attention: Account Payable 315 N DOUTY
 HANFORD 93230

CUSTOMER NO.	QUOTE NO.	DATE	CONTACT
283400	103166	10/26/2021	MARTY ELLIOTT
PHONE NO.	FAX NO.	EMAIL	
559-585-2553			
MODEL	MAKE	SERIAL NO.	
3512B	AA	0CMC01371	
UNIT NO.	HOURS	WO NO.	P.O. NO.
	318		
Note			
GENERATOR LOCATION: 12597 GRANGEVILLE BLVD, HANFORD CA 93230 SITE CONTACT: MARTY ELLIOTT USE PROPER LOCK OUT TAG OUT PROCEDURES, CHECK WITH CUSTOMER ON SITE CONTACT BEFORE TAKING UNIT OUT OF AUTO. THIS QUOTE IS FOR NORMAL WORKING HOURS MONDAY-FRIDAY 7:00 AM TO 3:30 PM			

*New
Radiator*

SEGMENT: 01

NOTES:

NOTE

- THERE IS A 14-15 WEEK LEAD TIME ON NEW RADIATOR
 *DISASSEMBLE AND REMOVE FRONT PORTION OF ENCLOSURE
 AROUND RADIATOR
 *DRAIN COOLING SYSTEM
 *REMOVE ALL COOLANT PIPES CONNECTED TO RADIATOR
 *REMOVE RADIATOR
 *INSTALL NEW RADIATOR ASSEMBLY
 *RE-INSTALL COOLANT PIPES
 *REFILL COOLING SYSTEM
 *RE-ASSEMBLE ENCLOSURE
 *TEST RUN GENERATOR

Parts

Description	Qty	Ext Price
GASKET	6	95.52
ABSORBENT-RL	1	134.40
COOLANT-DEAC	2	1,832.62
SEAL	4	104.68
SEAL	8	174.40
Total Estimated Parts:		2,341.62

Labor**Description**

LABOR-PD

Ext Price

15,840.00

Total Estimated Labor:

15,840.00

Labor Summary**Misc****Description****Qty****Ext Price**

CRANE SERVICE

1

2,250.00

RADIATOR ASSEMBLY

1

45,916.00

APPROXIMATE PART FREIGHT IN

1

1,500.00

Total Estimated Misc:

49,666.00

Segment 01 Total:

67,847.62

SEGMENT: 02**NOTES:**

HOOK UP AND PARALLEL RENTAL GENERATORS

Parts**Description****Qty****Ext Price****Total Estimated Parts:**

0.00

Labor**Description**

LABOR-PD

Ext Price

2,640.00

Total Estimated Labor:

2,640.00

Labor Summary**Segment 02 Total:**

2,640.00

Total Segments:

70,487.62

SUB TOTAL (BEFORE TAXES)

70,487.62

THIS ESTIMATE IS BASED ON LABOR RATES, PARTS PRICES, AND CONDITION OF THE MACHINE EXISTING ON THE DATE OF THE ESTIMATE INDICATED ABOVE. THE CUSTOMER WILL BE INFORMED OF ANY REVISIONS IN LABOR RATES, PARTS PRICES OR ADDITIONAL WORK REQUIRED BEFORE THE WORK IS STARTED. UNLESS OTHERWISE SPECIFIED, THIS ESTIMATE DOES NOT INCLUDE TRAVEL TIME AND MILEAGE, FREIGHT, SHIPPING CHARGES, ENVIRONMENTAL FEE OR TAXES WHERE APPLICABLE. THIS ESTIMATE IS EFFECTIVE FOR 30 DAYS FROM THE DATE INDICATED ABOVE.

ESTIMATED REPAIR TIME: _____ from start date

Thank you for giving QUINN the opportunity to quote your service repair options.

My Signature below indicates I have read, understand and agree with the attached terms and conditions.

Issued PO#: _____, Authorized Name _____ Please Print

Date ____/____/____ (Signature)

Prepared by: Craig Richards Phone: (559) 392-5779 Email: craig.richards@quinnpower.com Fax:

Attachment: Quinn quotes.pdf (PW: Radiator replacement for Tank 5 generator)



Quote No: 102778 - 1

CITY OF HANFORD - PUBLIC WORKS
Attention: Account Payable 315 N DOUTY
HANFORD 93230

CUSTOMER NO.	QUOTE NO.	DATE	CONTACT
283400	102778	10/13/2021	MARTY ELLIOTT
PHONE NO.	FAX NO.	EMAIL	
559-585-2553			
MODEL	MAKE	SERIAL NO.	
3512B	AA	OCMC01371	
UNIT NO.	HOURS	WO NO.	P.O. NO.
	318		

Note

GENERATOR LOCATION: 12597 GRANGEVILLE BLVD,
HANFORD
CA 93230

SITE CONTACT: MARTY ELLIOTT

USE PROPER LOCK OUT TAG OUT PROCEDURES, CHECK WITH
CUSTOMER ON SITE CONTACT BEFORE TAKING UNIT OUT
OF AUTO.

***NOTE: THIS QUOTE IS SUBJECT TO CHANGE DUE TO
UNKNOWN REPAIR COSTS OF RADIATOR, CUSTOMER WILL BE
NOTIFIED IF THERE ARE ADDITIONAL COSTS TO
REPAIR***

THIS QUOTE IS FOR NORMAL WORKING HOURS
MONDAY-FRIDAY 7:00 AM TO 3:30 PM

Repair
Radiator

SEGMENT: 01**NOTES:**

- *DISASSEMBLE AND REMOVE FRONT PORTION OF ENCLOSURE AROUND RADIATOR
- *DRAIN COOLING SYSTEM
- *REMOVE ALL COOLANT PIPES CONNECTED TO RADIATOR
- *REMOVE RADIATOR
- *TAKE RADIATOR TO REPAIR SHOP FOR EVALUATION AND TESTING
- *AN ADDITIONAL QUOTE WILL BE PROVIDED UPON INSPECTION OF THE RADIATOR**
- *RE-INSTALL REPAIRED RADIATOR
- *RE-INSTALL COOLANT PIPES
- *RE-ASSEMBLE ENCLOSURE
- *TEST RUN GENERATOR

Parts

Description	Qty	Ext Price
GASKET	6	95.52
ABSORBENT-RL	1	134.40

COOLANT-DEAC	2	1,832.00
SEAL	4	104.68
SEAL	8	174.40
Total Estimated Parts:		2,341.62

Labor

Description	Ext Price
LABOR-PD	15,840.00
Total Estimated Labor:	15,840.00

Labor Summary**Misc**

Description	Qty	Ext Price
CRANE SERVICE	1	2,250.00
RADIATOR REPAIR	1	18,000.00
Total Estimated Misc:		20,250.00

Segment 01 Total: 38,431.62

SEGMENT: 02

NOTES:
HOOK UP AND PARALLEL RENTAL GENRATORS

Parts

Description	Qty	Ext Price
Total Estimated Parts:		0.00

Labor

Description	Ext Price
LABOR-PD	2,640.00
Total Estimated Labor:	2,640.00

Labor Summary

Segment 02 Total: 2,640.00

Total Segments: 41,071.62

SUB TOTAL (BEFORE TAXES) 41,071.62

THIS ESTIMATE IS BASED ON LABOR RATES, PARTS PRICES, AND CONDITION OF THE MACHINE EXISTING ON THE DATE OF THE ESTIMATE INDICATED ABOVE. THE CUSTOMER WILL BE INFORMED OF ANY REVISIONS IN LABOR RATES, PARTS PRICES OR ADDITIONAL WORK REQUIRED BEFORE THE WORK IS STARTED. UNLESS OTHERWISE SPECIFIED, THIS ESTIMATE DOES NOT INCLUDE TRAVEL TIME AND MILEAGE, FREIGHT, SHIPPING CHARGES, ENVIRONMENTAL FEE OR TAXES WHERE APPLICABLE. THIS ESTIMATE IS EFFECTIVE FOR 30 DAYS FROM THE DATE INDICATED ABOVE.

ESTIMATED REPAIR TIME: _____ from start date

Thank you for giving QUINN the opportunity to quote your service repair options.

My Signature below indicates I have read, understand and agree with the attached terms and conditions.

Issued PO#: _____, Authorized Name _____ Please Print

Date ____/____/____ (Signature)

Prepared by: Craig Richards Phone: (559) 392-5779 Email: craig.richards@quinnpower.com Fax: _____

Attachment: Quinn quotes.pdf (PW: Radiator replacement for Tank 5 generator)



Rental Quote

Quote P59973

10273 GOLDEN STATE BLVD, SELMA, CA 93662
QPS FRESNO Ph: 559-896-4040 Fax: 559-891-6704

Date Out: 10/19/2021 Tue 02:47 PM
Est. Date In: 11/16/2021 Tue 02:47 PM
Delivery Date:

Jobsite:
Contact: MARTY ELLIOT
Phone: 559 585 2550
315 N DOUTY
HANFORD, CA
93230

Customer: 283400
Bill to: CITY OF HANFORD - PUBLIC WOR
Attention: Account Payable
315 N DOUTY
HANFORD, CA 93230

Written By: George Ayala
Sales Rep: GEORGE AYALA
PO #:

Signed By:
Order By: MARTY ELLIOT

QTY	DESCRIPTION	DAY	WEEK	4WEEK	TOTALS
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Rental Items

FOR MORE INFORMATION REFER TO ADDITIONAL TERMS AND CONDITIONS. NOT APPLICABLE TO ELECTRIC MOTOR-DRIVEN PRODUCT.

UNIT TO BE SERVICED EVERY 250 HOURS ON 800KW AND SMALLER. CUSTOMER RESPONSIBILITY
UNIT TO BE SERVICED EVERY 500 HOURS ON 1000KW AND LARGER. CUSTOMER RESPONSIBILITY
0 - 160 HRS SINGLE SHIFT
160 - 320 HRS DOUBLE SHIFT
320 + HRS TRIPLE SHIFT

Portable generator rental

Miscellaneous Items

1	ENV REC FEE 2(T)	2.00 %	507.2
1	TRANSPORT DEL(T)	600.00 each	600.0
1	TRANSPORT RETURN	600.00 each	600.0
1	FIRE, THEFT & VANDALISM	14.00 %	3,550.9
State 7.25% Total Tax: 7.25%			1,919.1

Total: 32,541.41

AGREEMENT AND ACKNOWLEDGEMENT

CARB REGULATIONS When operated in California, any on-road heavy-duty diesel vehicle, alternative-diesel vehicle, off-road diesel vehicle, or portable diesel engine may be subject to the California Air Resources Board's Regulation to Reduce Particulate Matter and Criteria Pollutant Emissions from In-Use Heavy-Duty Diesel Vehicles, In-Use Off-Road Diesel Vehicle Regulation, or Airborne Toxic Control Measure For Diesel Particulate Matter From Portable Engines Rated At 50 Horsepower And Greater. It therefore could be subject to retrofit, exhaust retrofit, or accelerated turnover requirements to reduce emissions of air pollutants. For more information, please visit the California Air Resources Board websites at <https://www.arb.ca.gov/dieseltruck>, <https://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>, or <https://www.arb.ca.gov/portable/portable.htm>.

The undersigned warrants, represents, and agrees on behalf of the customer ("Customer"): (1) that the undersigned has authority to contract for Customer; (2) that the lease of the equipment listed above ("Equipment") by Quinn Company, Quinn Company dba Quinn Power Systems and Quinn Rental Services or by Quinn Lift (collectively, "Quinn") to Customer shall be subject to all of the terms and conditions set forth in this Rental Agreement (this "Agreement"); (3) that I have read and understand all said terms and conditions; (4) that I have the right to make a pre-delivery inspection and have informed Quinn of any damage or deficiency that may exist; (5) that I understand that air quality regulations may affect the operation and use of Equipment and I agree to all requirements stated in Additional Terms and Conditions, paragraph entitled "Air Quality Requirements for Equipment", including any specific requirements an agricultural source may have in registering the Equipment with the local air district, and (6) that by executing this Agreement I specifically agree to all of the terms and conditions of this Agreement and the Additional Terms and Conditions attached hereto, including, without limitation, the licensing and inspection requirements and disclaimers set forth in Section 28 of such Additional Terms and Conditions. Client warrants that the invoiced goods or services will be used for business or agricultural purposes and not for personal, family or household purposes.

AN ADDITIONAL 14% FEE WILL APPEAR ON FINAL INVOICE UNLESS FIRE, THEFT, VANDALISM WAIVER IS REJECTED. REJECTION OF THIS WAIVER REQUIRES CUSTOMER TO INITIAL BELOW AND PROVIDE PROOF OF APPLICABLE INSURANCE

() REJECT - INITIAL AND PROVIDE INSURANCE CERTIFICATE

AGREED TO: _____ DATE: _____

(Signature)

(Printed Name)

(Title)

DATE OUT: _____ HRS OUT: _____ DATE IN: _____ HRS IN: _____ RETURNED BY: _____

IMPORTANT! PLEASE READ THE ADDITIONAL TERMS AND CONDITIONS ATTACHED HERETO BEFORE SIGNING



Rental Quote

Quote P59973

10273 GOLDEN STATE BLVD, SELMA, CA 93662
QPS FRESNO Ph: 559-896-4040 Fax: 559-891-6704

Date Out: 10/19/2021 Tue 02:47 PM
Est. Date In: 11/16/2021 Tue 02:47 PM
Delivery Date: 10/19/2021 Tue 08:00 AM

Jobsite:
Contact: MARTY ELLIOT
Phone: 559 585 2550
315 N DOUTY
HANFORD, CA
93230

Bill to: Customer: 283400
CITY OF HANFORD - PUBLIC WOR
Attention: Account Payable
315 N DOUTY
HANFORD, CA 93230

Signed By:
Order By: MARTY ELLIOT

Written By: George Ayala
Sales Rep: GEORGE AYALA
PO #:

QTY	DESCRIPTION	DAY	WEEK	4WEEK	TOTALS
Rental Items					
	ALL RENTAL ITEMS ARE TAXABLE LINE ITEMS WITH (T) ARE TAXABLE				
1.	511-2000 2000KW GENERATOR	\$2,621	\$7,864	\$23,600	23,600.00
28	ID:CABLE 50' SERIAL:CABLE 50' MODEL:CABLE CABLE 4/0 50'	\$30	\$50	\$63	1,764.00

RENTAL UNIT IS ON RENT UNTIL A CALL
OFF NUMBER IS CREATED.

RATES BASED ON SINGLE SHIFT:
8 HOUR DAY / 40 HOUR WEEK / 160 HOUR MONTH
DOUBLE SHIFT = 1.5 X SINGLE SHIFT RATE
TRIPLE SHIFT = 2 X SINGLE SHIFT RATE

RENTAL RATES APPLY REGARDLESS IF UNIT IS NOT
REQUIRED TO OPERATE. ANY SPECIAL PERMITS NEEDED
TO OPERATE ARE THE CUSTOMER'S RESPONSIBILITY.
IN ACCORDANCE WITH AIR QUALITY REQUIREMENTS,
CUSTOMERS MUST MAINTAIN MONTHLY LOCATION LOGS. LOG
SHEETS ARE LOCATED IN THE ENGINE COMPARTMENT DOOR.
COMPLETED LOGS MUST BE RETURNED WITH UNIT.

Attachment: Quinn quotes.pdf (PW: Radiator replacement for Tank 5 generator)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: B
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SUBJECT:

Parks and Community Services: Approval of the submittal of a Request for Technical Assistance letter from the Trust for Public Land for technical assistance in connection with our efforts to finance our parks, trails, open spaces and other recreation priorities.

RECOMMENDATION:

Staff recommends the City Council accepts the invitation from The Trust for Public Land for technical assistance in connection with our efforts to finance our parks, trails, open spaces and other recreation priorities.

BACKGROUND:

Founded in 1976, The Trust for Public Land (TPL) is a national non-profit organization whose mission is to create parks and protect land for people, ensuring healthy, livable communities for generations to come. TPL has assisted communities in securing over \$80 Billion in funding to improve community access to parks and open space. This past primary election, the TPL organized 26 park and open space funding measures. Voters approved all 26 measures, generating almost \$3 Billion. Website: <https://www.tpl.org/>

During the recent National Parks and Recreation (NRPA) annual conference, Director Brad Albert attended a workshop by TPL that explained the different funding strategies available to municipal government. Upon returning from the conference, Mr. Albert reached out to TPL, sent them the 2020 Parks and Recreation Master Plan, and connected with David Weinstein, Western Conservation Finance Director. Mr. Weinstein has extended an invitation from TPL to provide technical assistance to the City of Hanford. The attached request for technical assistance letter is required from the governing body to accept TPL's invitation.

The technical assistance provided by TPL includes the following:

1. Kick-off meeting for introductions and scope of work definition
2. Three months of data analysis and completion of a feasibility report presented to Council

for consideration.

3. Potential public opinion poll. 50/50 cost share with City (approximate cost to the city would be \$15,000-\$17,500). Can include polling of other public services.
4. Legal counsel on appropriate funding strategy.
5. If a ballot measure moves forward, assistance with outreach campaign.

The Feasibility Report Includes:

- Introduction
- Executive Summary
- Conservation Priority
- Potential Funding Sources
- Election History, voter registration, and turnout
- Election Process and timeline
- Appendices. TBD. Can include ballot language

In Chapter Seven - 10 -Year Capital Improvement Plan of the 2020 Parks and Recreation Master Plan, a three-tier plan is recommended to help guide the decision-making process for CIP investments. The three-tiered plan acknowledges a fiscal reality, leading to the continuous re-balancing of priorities and their associated expenditures. Each tier reflects different assumptions about available resources. The three-tiers include:

1. Sustainable - Critical maintenance projects, including lifecycle replacement, repair of existing amenities, safety, ADA improvements and existing debt service obligations.
2. Expanded Services - Project that include strategic changes to the existing parks system to meet the needs of the community. These types of improvement typically require one-time funding and may trigger slight increases in annual operations and maintenance costs, depending on the nature of the improvements.
3. Visionary - Complete park renovation, land acquisition and new park/trail development. These improvements will likely increase operations and maintenance costs.

The following table summarizes the three-tier approach to the development of capital improvement plan associated with the Master Plan:

Tier	Estimated Total Project cost
Sustainable Projects	\$1,800,000
Expanded Projects	\$2,620,000
Visionary Projects	\$58,200,00
TOTAL	\$62,620,000

The challenge before us is the development of a viable financial plan which will shape the future

of parks and recreation, leading towards improved quality of life. The proposed technical assistance provided by TPL is a step towards the development of that plan and a promising future for all Hanford residents.

FISCAL IMPACT:

N/A

ATTACHMENTS:

TPL Technical Assistance Request Letter

City of HANFORD

CALIFORNIA 93230
CITY OFFICES 319 NORTH DOUTY STREET



MAYOR
FRANCISCO RAMIREZ
VICE MAYOR
DIANE SHARP
COUNCIL MEMBERS
AMANDA SALTRAY
KALISH MORROW
ART BRIENO
CITY MANAGER
MARIO CIFUENTEZ

November 16, 2021

Rico Mastrodonato
The Trust for Public Land
1107 9th Street, STE 1050
Sacramento, CA 95814

David Weinstein
The Trust for Public Land
1007 E Main, STE 300
Bozeman, MT 59715

Dear Mr. Mastrodonato and Mr. Weinstein:

On behalf of the City of Hanford, we would like to request technical assistance from The Trust for Public Land in connection with our efforts to finance our parks, trails, open spaces, and other recreation priorities. As part of your advice and assistance, we understand you may undertake feasibility research, conduct a public opinion survey, and develop strategies for our consideration.

We are interested not only in the factual information that you can provide, but also your organization's opinions and recommendation on public financing measures available to the City of Hanford. This could include the public's priorities and attitudes concerning outdoor recreation, parks, trails, natural areas and other aspects of land and water conservation.

Information provided to the City of Hanford will be public record as a matter of law. This request does not in any way commit public funds to the efforts of The Trust for Public Land related to this request, nor does it require public disclosure of any confidential information of the organization.

This request will continue in effect for any advice you offer or presentations you submit for the use of this body related to such matters. In addition, we would like to take this opportunity to request that you continue to be available to provide technical advice and assistance in this area and on related matters in the future.

Sincerely,

Mayor Francisco Ramirez

Attachment: TPL Technical Assistance Request Letter (Parks: Request for technical assistance from the Trust for Public Land)



AGENDA STAFF REPORT

MEETING DATE: 11/16/2021	AGENDA SECTION: C
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SUBJECT:

Adoption of resolution 21-53-R, in order to increase the City of Hanford cannabis taxes up to the maximum allowable levels, in accordance with the Hanford Municipal Code as approved by the voters.

RECOMMENDATION:

That the City Council, by motion, adopt resolution 21-53-R, thereby increasing the City of Hanford cannabis taxes up to the maximum allowable levels, in accordance with the Hanford Municipal Code as approved by the voters.

BACKGROUND:

Beginning January 1, 2019, the City of Hanford began imposing its cannabis business tax (HMC Section 5.60.050 Tax Imposed) which was approved by voters.

It was proposed that the cannabis tax for retail dispensaries begin at 4% and to increase the tax consistent with the ordinance. Under the ordinance, this increase was allowed to be imposed effective July 01, 2021. However, Council preferred to wait until the businesses had become stable. This resolution will increase the tax for all cannabis activities to the maximum allowed under the ordinance.

HMC 5.60.050(C)

C. The city council may, by resolution or ordinance, adjust the rate of the cannabis business tax. However, in no event may the city council set any adjusted rate that exceeds the maximum rate calculated pursuant to subsection D of this section for the date on which the adjusted rate will commence.

D. The maximum rate shall be calculated as follows:

1. For every person who is engaged in commercial cannabis cultivation in the city:
 - a. Beginning July 1, 2021, the maximum rate shall be:

This above section sets the authority for the increases and the date the increases go into effect for

cultivation as well as increases on the cultivation side which do not need to be set by resolution of City Council.

Consistent with this same section the following increases are permitted by the ordinance and staff is presenting the attached resolution to approve the increases.

- Testing Laboratory would move from 1% to 2.5% of gross receipts.
- Dispensary, delivery, and microbusiness (retail sales activity) would move from 4% to 6% of gross receipts.
- Distribution would move from 2% to 3% of gross receipts.
- Manufacturing, processing, microbusiness (non-storefront) or any other non-specified cannabis business, would move from 2.5% to 4% of gross receipts.

This increase was established by the voter initiative to be implemented by resolution of the City Council. These taxes cannot be increased beyond what is specified in this proposed change, except for cultivation which is not addressed in this resolution.

The cannabis dispensaries in Hanford are having very robust sales that would support the proposed increases. All the current and proposed taxes stay in the City of Hanford to assist with services that are provided to our entire community.

FISCAL IMPACT:

ATTACHMENTS:

Resolution 21-53-R Cannabis Tax

RESOLUTION NO. 21-53-R**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
INCREASING THE CITY SALES TAX OF COMMERCIAL CANNABIS
BUSINESSES IN ACCORDANCE WITH SECTION 5.60.050 OF THE HANFORD
MUNICIPAL CODE.**

At regular meeting of the City Council of the City of Hanford duly called and held on November 16, 2021, it was moved by Council Member _____, and seconded by Council Member _____, and carried that the following resolution be adopted:

WHEREAS, the voters, voted to impose a city tax on cannabis businesses operating in the City of Hanford on or after January 1, 2019 and,

WHEREAS, the voter approved ordinance allows for an increase in the proposed taxes,

WHEREAS, the tax increase has already gone into effect for cultivation on July 1, 2021; and,

WHEREAS, increases for other types of cannabis businesses must be done by resolution of City Council and,

WHEREAS, Cannabis related sales have exceeded projections; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council finds that increasing commercial cannabis taxes is in the best interest of the City of Hanford and, in accordance with 5.60.050, establishes the tax-imposed requirements. The proposed taxes shall remain in effect until changed by resolution of the City Council:

Proposed Cannabis Taxes

- (1) Cultivation: Set by ordinance not addressed in this resolution
- (2) Manufacturing: 2.5% to 4% of gross receipts
- (3) Lab Testing: 1% to 4% of gross receipts
- (4) Distribution: 2% to 3%
- (5) Micro-business: 2.5% to 4%(non-storefront) 4% to 6% (storefront)
- (6) Dispensaries 4% to 6%
- (7) Dispensary (non-storefront): 4% to 6%
- (8) All unspecified cannabis related activities with the exception of cultivation: 2.5% to 4%

NOW THEREFORE BE IT FURTHER RESOLVED that the City Council of the City of Hanford increases the Cannabis Tax as proposed in this resolution.

PASSED, ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Hanford held on November 16, 2021, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Francisco Ramirez
MAYOR of the City of Hanford

Attest:

Natalie Corral
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, Natalie Corral, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the __ day of _____, 2021.

Date: _____

City Clerk

Attachment: Resolution 21-53-R Cannabis Tax (PD: Resolution to Adjust Cannabis Tax)



**AGENDA
STAFF REPORT**

MEETING DATE: 11/16/2021	AGENDA SECTION:
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SUBJECT:
Council Future Agenda Items

FISCAL IMPACT:

ATTACHMENTS:
Council Future Agenda Items

Council Future Agenda Items				
Originated Date	Item	Originator	Staff Lead	Date Estimate
4/7/20	Discussion of Pay for Parking Options in the Downtown Area	Council Consensus	John Doyel	After presentation of Downtown Plan
9/9/20	Revised Refuse Ordinance	Public Works	Jim Ross	12/7/2021
6/18/20	Discussion of Courthouse improvements and financing options	Council Consensus	Brad Albert	Delayed pending additional building review

Attachment: Council Future Agenda Items (Council: Future Agenda Items)