



Donald P. Wagner
Mayor/Chairman

Christina Shea
Mayor Pro Tem/Vice Chairwoman

Melissa Fox
Councilmember/Boardmember

Jeffrey Lalloway
Councilmember/Boardmember

Lynn Schott
Councilmember/Boardmember

AGENDA

CITY COUNCIL REGULAR MEETING AND REGULAR JOINT MEETING WITH THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

February 13, 2018
4:00 PM
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

Speaker's Card/Request to Speak: If you would like to address the City Council / Successor Agency on a scheduled agenda item – including a Consent Calendar item, Business item, a Public Hearing item, or Public Comments – please complete the [Request to Speak Form](#). The card is at the table at the entrance to the City Council Chamber. Please identify on the card your name and the item on which you would like to speak and return to the City Clerk / Agency Secretary. The [Request to Speak Form](#) assists the Mayor / Chair in ensuring that all persons wishing to address the City Council / Successor Agency are recognized. It also ensures the accurate identification of meeting participants in the City Council / Successor Agency minutes. Your name will be called at the time the matter is heard by the City Council / Successor Agency. City policy is to limit public testimony to up to three minutes per speaker depending on relevant circumstances (unless the time limit is extended by the Mayor / Chair), which includes the presentation of electronic or audio visual information. Speakers may not yield their time to other persons.

Please take notice that the order of scheduled agenda items below and/or the time they are actually heard, considered and decided may be modified by the Mayor / Chair or the City Council / Successor Agency Board during the course of the meeting, so please stay alert.

CALL TO ORDER

ROLL CALL

Scan this QR code for an electronic copy of the City Council and Successor Agency Agenda and staff reports.



1. CLOSED SESSION

1.1 PUBLIC EMPLOYEE APPOINTMENT: Government Code Section 54957 - Title: Interim City Manager

RECONVENE TO THE CITY COUNCIL MEETING

PLEDGE OF ALLEGIANCE

INVOCATION

2. PRESENTATIONS

2.1 Proclaim February 11, 2018 as "Irvine 2/11 Marine Battalion Day"

2.2 Fiscal Year 2017-18 Budget Scorecard and Status Report of the City's Plan to Retire its Unfunded Pension Liability

CITY MANAGER'S REPORT

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Announcements, Committee Reports and Council/Agency Comments are for the purpose of presenting brief comments or reports, are subject to California Government Code Section 54954.2 of the Brown Act and are limited to 15 minutes per meeting.

ADDITIONS AND DELETIONS

Additions to the agenda are limited by California Government Code Section 54954.2 of the Brown Act and for those items that arise after the posting of the Agenda and must be acted upon prior to the next City Council meeting.

CONVENE TO THE REGULAR JOINT MEETING

3. CONSENT CALENDAR - CITY COUNCIL

All matters listed under Consent Calendar are considered by the City Manager to be routine and enacted by one roll call vote. There will be no discussion of these items unless members of the City Council request specific items to be removed from the Consent Calendar for separate discussion. Any member of the public may address the Council on items on the Consent Calendar. See information for Speaker's Card/Request to Speak on first page.

3.1 MINUTES

ACTION:

- 1) Approve the minutes of a special meeting of the Irvine City Council held on January 23, 2018.
- 2) Approve the minutes of a regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency held on January 23, 2018.
- 3) Approve the minutes of a special meeting of the Irvine City Council held on January 30, 2018.

3.2 PROCLAMATIONS/COMMENDATIONS

ACTION:

- 1) Proclaim March 15-18, 2018 as the "110th California State Daughters of the American Revolution Conference."
- 2) Commend Chelle Friedman on 40 Years of Service to Jewish Federation & Family Services, Orange County.

3.3 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION:

Adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

3.4 ADOPTION OF RESOLUTION OF INTENT TO INITIATE CHANGE PROCEEDINGS AND FORM COMMUNITY FACILITIES DISTRICT NO. 2013-3 IMPROVEMENT AREA NO. 9, SET TIME AND PLACE FOR PUBLIC HEARING, AND ESTABLISH TIME, PLACE, AND PROCEDURES FOR ELECTION

ACTION:

- 1) Adopt - A RESOLUTION OF CONSIDERATION AND INTENTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), TO CHANGE AND MODIFY AN EXISTING IMPROVEMENT AREA AND THEREBY DESIGNATE AN ADDITIONAL IMPROVEMENT AREA, IMPROVEMENT AREA NO. 9, WITHIN CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES

- 2) Adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), DECLARING ITS INTENTION TO INCUR BONDED INDEBTEDNESS FOR IMPROVEMENT AREA NO. 9 OF THE CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK)

3.5 NOTICE OF REVIEW AND PENDING APPROVAL FOR TRACT MAPS IN PORTOLA SPRINGS, IRVINE BUSINESS COMPLEX AND ORCHARD HILLS

ACTION:

Receive and file.

3.6 UNIVERSITY DRIVE/RIDGELINE DRIVE INTERSECTION IMPROVEMENT PROJECT

ACTION:

Authorize staff to initiate the right-of-way acquisition of necessary construction and roadway easements for the University Drive/Ridgeline Drive Intersection Improvement Project.

3.7 ACCEPTANCE OF MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE LOCAL GOVERNMENT PARTNERSHIP PROGRAM FUNDS FOR ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND/OR PURCHASE OF ZERO EMISSION VEHICLE(S) FOR TRANSIT USE

ACTION:

Adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING THE ACCEPTANCE OF MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE LOCAL GOVERNMENT PARTNERSHIP PROGRAM FUNDS FOR ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND/OR PURCHASE OF ZERO EMISSION VEHICLE(S) FOR TRANSIT USE

3.8 IRVINE STATION BICYCLE LOCKER FEE CHANGE PILOT PROGRAM

ACTION:

Adopt the Irvine Station Bicycle Locker Pilot Program and revised fee structure.

3.9 iSHUTTLE INTERIM VEHICLE PROCUREMENT TO ADDRESS CAPACITY SHORTAGE

ACTION:

- 1) Approve the acquisition of five used 29-passenger compressed natural gas buses to augment iShuttle service.
- 2) Authorize the Director of Transportation to execute Memorandum(s) of Understanding, as necessary, to facilitate interim transit services with Orange County Transportation Authority to operate the acquired vehicles.

3.10 SECOND READING AND ADOPTION OF ORDINANCE NOS. 18-01 AND 18-02 APPROVING A CITYWIDE ZONE CHANGE TO AMEND APPLICABLE SECTIONS OF ZONING ORDINANCE SECTION 3-39 "CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED" TO ALLOW CANNABIS TESTING LABORATORIES (00728989-PZC)

ACTION:

- 1) Read by title only, second reading and adoption of ORDINANCE NO. 18-01 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AMENDING CHAPTER 3-39 OF THE IRVINE ZONING CODE (ENTITLED CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED) AND OTHER RELATED ZONING CODE SECTIONS TO ALLOW CANNABIS TESTING LABORATORIES IN CERTAIN ZONING DISTRICTS (SECTIONS 1-2-1, 3-3-1, 3-37-29, 3-37-33, AND 3-37-34)
- 2) Read by title only, second reading and adoption of ORDINANCE NO. 18-02 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADDING DIVISION 22 TO TITLE 4 OF THE IRVINE MUNICIPAL CODE PERMITTING CANNABIS TESTING LABORATORIES CONSISTENT WITH THIS DIVISION AND THE CITY'S ZONING CODE

3.11 COMMUNITY PARTNERSHIP FUND GRANT NOMINATIONS

ACTION:

- 1) Approve Mayor Pro Tempore Shea's request for Community Partnership Fund Grant nomination to Tender Touch Ministries in the amount of \$850 in support of program costs.
- 2) Authorize the City Manager to prepare and sign the funding agreement listed in Action 1.

4. CONSENT CALENDAR - SUCCESSOR AGENCY

All matters listed under Consent Calendar are considered by the Executive Director to be routine and enacted by one roll call vote. There will be no discussion of these items unless members of the Agency request specific items to be removed from the Consent Calendar for separate discussion. Any member of the public may address the Agency on items on the Consent Calendar. See information for Speaker's Card/Request to Speak on first page.

4.1 MINUTES

ACTION:

Approve the minutes of the regular joint meeting of the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency with the Irvine City Council held on January 23, 2018.

4.2 WARRANT AND WIRE TRANSFER RESOLUTION – CITY COUNCIL AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

ACTION:

Adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ALLOWING CERTAIN CLAIMS AND DEMANDS OF THE CITY COUNCIL AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

PUBLIC COMMENT - SUCCESSOR AGENCY (LIMITED TO 3 MINUTES PER SPEAKER)

Any member of the public may address the Successor Agency on items within the Successor Agency's subject matter jurisdiction but which are not listed on this agenda during Public Comments; however, no action may be taken on matters that are not part of the posted agenda. See information for Speaker's Card/Request to Speak on the first page.

ADJOURNMENT - REGULAR JOINT MEETING

RECONVENE TO THE CITY COUNCIL MEETING

5. COUNCIL BUSINESS

5.1 HERITAGE COMMUNITY PARK IMPROVEMENTS MASTER PLAN SCOPING SESSION

ACTION:

Discuss and provide direction regarding the preparation and scope for the Heritage Community Park Improvements Master Plan.

5.2 IRVINE ANIMAL CARE CENTER CONCEPT PLANS UPDATE

ACTION:

- 1) Authorize staff to initiate a Request for Proposals for the design of a new Animal Care Center at the existing site, and for design of a temporary center and three new dog parks.
- 2) Direct that the City Council Animal Care Center Subcommittee continue to work with staff to develop scope and construction cost estimates for the new Center, a temporary center at the City's existing dog park site (Bark Park), and for three new satellite dog parks to provide new community amenities and off-set the temporary use of the existing dog park site.

5.3 CONSIDERATION OF COUNCILMEMBER FOX'S REQUEST FOR DISCUSSION OF ORANGE COUNTY GREAT PARK WESTERN SECTOR ROADWAY CONSTRUCTION – REFERRAL TO TRANSPORTATION COMMISSION

ACTION:

City Council discussion and direction.

PUBLIC COMMENT-CITY COUNCIL - Public comments will be heard at approximately 6:30 p.m. or prior to adjournment, whichever occurs earlier.

Any member of the public may address the City Council on items within the City Council's subject matter jurisdiction but which are not listed on this agenda during Public Comments; however, no action may be taken on matters that are not part of the posted agenda. See information for Speaker's Card/Request to Speak on the first page.

ADJOURNMENT-CITY COUNCIL

NOTICE TO THE PUBLIC

LIVE BROADCASTING AND REBROADCASTING

Regular City Council and Successor Agency meetings are broadcast live every 2nd and 4th Tuesday of the month at 4 p.m. and are replayed on Tuesdays at 4 p.m. (in weeks in which there is not a live City Council and/or Successor Agency meeting), Sundays at 11 a.m., Wednesdays at 7 p.m., and Thursdays at 10 a.m. until the next City Council / Successor Agency meeting. All broadcasts can be viewed on Cox Communications Local Access Channel 30 and U-Verse Channel 99. City Council meetings are also available via live webcast and at any time for replaying through the City's ICTV webpage at cityofirvine.org/ictv. For more information, please contact the City Clerk's office at (949) 724-6205.

ADJOURNMENT

At 11:00 p.m., the City Council / Successor Agency will determine which of the remaining agenda items can be considered and acted upon prior to 12:00 midnight and will continue all other items on which additional time is required until a future City Council / Successor Agency meeting. All meetings are scheduled to terminate at 12:00 midnight.

STAFF REPORTS

As a general rule, staff reports or other written documentation have been prepared or organized with respect to each item of business listed on the agenda. Copies of these materials are on file with the City Clerk and are available for public inspection and copying once the agenda is publicly posted, (at least 72 hours prior to a regular City Council / Successor Agency meeting). Staff reports can also be downloaded from the City's website at cityofirvine.org beginning the Friday prior to the scheduled City Council / Successor Agency meeting on Tuesday.

In addition, meetings can be viewed live at the time posted on the agenda and related staff reports can be opened and viewed simultaneously along with the streaming of the meeting. To view the meeting, go to cityofirvine.org/ictv.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact City Clerk staff at (949)724-6205.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council / Successor Agency regarding any item on this agenda after the posting of the agenda will be available for public review in the City Clerk's Office, One Civic Center Plaza, Irvine, California, during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact City Clerk staff at (949)724-6205.

SUBMITTAL OF INFORMATION BY MEMBERS OF THE PUBLIC FOR DISSEMINATION OR PRESENTATION AT PUBLIC MEETINGS

Media Types and Guidelines

1. Written Materials/Handouts:

Any member of the public who desires to submit documentation in hard copy form may do so prior to the meeting or at the time he/she addresses the City Council / Successor Agency. Please provide 15 copies of the information to be submitted and file with the City Clerk at the time of arrival to the meeting. This information will be disseminated to the City Council / Successor Agency Board at the time testimony is given.

2. Large Displays/Maps/Renderings:

Any member of the public who desires to display freestanding large displays or renderings in conjunction with their public testimony is asked to notify the City Clerk's Office at (949)724-6205 no later than 12:00 noon on the day of the scheduled meeting so that an easel can be made available, if necessary.

3. Electronic Documents/Audio-Visuals:

Any member of the public who desires to display information electronically in conjunction with their public testimony is asked to submit the information to the Public Information Office (PIO) no later than 12:00 noon on the day of the scheduled meeting. To facilitate your request contact the PIO Office at (949)724-6253 or the City Clerk's Office at (949)724-6205.

Information must be provided on CD, DVD, or VHS; or, emailed by 12:00 noon on the day of the scheduled meeting to pio@ci.irvine.ca.us. Members of the public will be asked to provide their name, identify the meeting and the agenda item to be addressed, and a day time phone number.

The PIO office will notify the person submitting the information as soon as possible prior to the meeting if the information cannot be accessed or if the version provided is incompatible with the City's system. Every effort will be made by City staff to facilitate the presentation.

CITY SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

It is the intention of the City of Irvine to comply with the Americans With Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City of Irvine will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (949)724-6205.

Assisted listening devices are available at the meeting for individuals with hearing impairments. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II)

CHALLENGING CITY DECISIONS

The time limit within which to commence any lawsuit or legal challenge to any quasi-judicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitations period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-judicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge that is not filed within this 90-day period will be barred.

If a person wishes to challenge the nature of the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Irvine, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

COMMUNICATION AND ELECTRONIC DEVICES

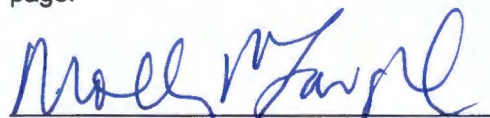
To minimize distractions, please be sure all personal communication and electronic devices are turned off or on silent mode.

MEETING SCHEDULE

Regular meetings of the City Council / Successor Agency are held on the second and fourth Tuesdays of each month at 4:00 p.m. Study Sessions and/or Closed Sessions are periodically held prior to the start of the regular meeting. Agendas are available at the following locations:

- City Clerk's Office
- Police Department
- Front Entrance of City Hall
- University Park Center (Culver/Michelson)
- Walnut Village Center (Culver/Walnut)
- Northwood Town Center (Irvine Blvd./Yale)
- City's web page at www.ci.irvine.ca.us

I hereby certify that the agenda for the Regular City Council / Successor Agency meeting was posted in the posting book located in the Public Safety Lobby and at the entrance of City Hall, One Civic Center Plaza, Irvine, California on February 8, 2018 by [Signature] as well as on the City's web page.



Molly McLaughlin, CMC
City Clerk / Successor Agency Secretary

CLOSED SESSION

1.1

PRESENTATIONS

2.1-2.2



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: PRESENTATIONS

City Clerk

RECOMMENDED ACTION:

1. Proclaim February 11, 2018 as "Irvine 2/11 Marine Battalion Day"
2. Fiscal Year 2017-18 Budget Scorecard and Status Report of the City's Plan to Retire its Unfunded Pension Liability

 CITY OF IRVINE 

Proclamation

IRVINE 2/11 MARINE BATTALION DAY FEBRUARY 11, 2018

WHEREAS, the City of Irvine has a long-standing relationship with the United States Armed Forces and provides ongoing recognition and support to active duty personnel, reservists, and veterans through programs, services, and events; and

WHEREAS, in 2007, the City of Irvine adopted the 2nd Battalion, 11th Marine Regiment, 1st Marine Division (2/11 Marines), currently comprised of approximately 750 active Marines and Sailors who bravely protect the rights and freedoms of the United States, its Allies, and people around the world; and

WHEREAS, through the adoption of the 2/11 Marines, the City of Irvine supported the development of the Irvine 2/11 Marine Adoption Committee, a volunteer-coordinated 501(c)3 organization that serves as a liaison between the City, the community, and the Marines; and

WHEREAS, the Irvine 2/11 Marine Adoption Committee, in partnership with the City of Irvine, provides valuable programs and financial support to the 2/11 Marines, Sailors and their families, which include “Welcome Home” packages, toy drives, care packages, and support for their annual Family spring, summer and Christmas events.

NOW, THEREFORE, the City Council of the City of Irvine **DOES HEREBY PROCLAIM** February 11, 2018 as “Irvine 2/11 Marine Battalion Day” in the City of Irvine, and recognizes the outstanding work and dedication of the Marines and Sailors of the 2nd Battalion, 11th Marine Regiment, 1st Marine Division and the Irvine 2/11 Marine Adoption Committee.

CHRISTINA SHEA
MAYOR PRO TEMPORE OF THE CITY OF IRVINE
FEBRUARY 13, 2018



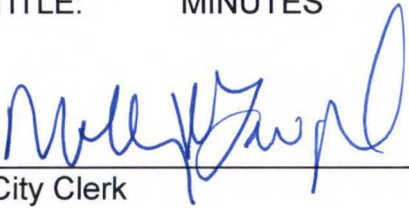
3.1



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: MINUTES



City Clerk

RECOMMENDED ACTION:

- 1) Approve the minutes of a special meeting of the Irvine City Council held on January 23, 2018.
- 2) Approve the minutes of a regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency held on January 23, 2018.
- 3) Approve the minutes of a special meeting of the Irvine City Council held on January 30, 2018.



MINUTES

CITY COUNCIL SPECIAL MEETING

January 23, 2018
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

The special meeting of the Irvine City Council was called to order at 3:04 p.m. on January 23, 2018 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor Wagner presiding.

ROLL CALL

Present:	4	Councilmember:	Melissa Fox
		Councilmember:	Jeffrey Lalloway
		Mayor Pro Tempore:	Christina Shea
		Mayor:	Donald P. Wagner
Absent:	1	Councilmember:	Lynn Schott

Mayor Wagner noted that Councilmember Schott would not be attending the meeting due to the illness of a family member.

1. CLOSED SESSION

City Attorney Melching announced the following Closed Session items:

- 1.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1) – County of Orange v. City of Irvine, Orange County Superior Court Case No. 30-2017-00959467-CU-MC-CJC**

- 1.2 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1) –City of Irvine v. County of Orange, Orange County Superior Court Case No. 30-2017-00961107-CU-WM-CXC**
- 1.3 PUBLIC EMPLOYEE APPOINTMENT: Government Code Section 54957 - Title: Interim City Manager**
- 1.4 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: one potential case**

RECESS

Mayor Wagner convened the City Council meeting to Closed Session at 3:05 p.m.

RECONVENE TO THE CITY COUNCIL MEETING

Mayor Wagner reconvened the City Council meeting at 4:12 p.m. City Attorney Melching, on behalf of the City Council, announced that no reportable action was taken in Closed Session.

ADJOURNMENT

Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Shea, and unanimously carried by those members present (Councilmember Schott absent) to adjourn the special City Council meeting at 4:12 p.m.

MAYOR OF THE CITY OF IRVINE

CITY CLERK OF THE CITY OF IRVINE

February 13, 2018



MINUTES

**CITY COUNCIL
REGULAR MEETING
AND
REGULAR JOINT MEETING
WITH THE
CITY OF IRVINE AS SUCCESSOR
AGENCY TO THE DISSOLVED
IRVINE REDEVELOPMENT AGENCY**

**January 23, 2018
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606**

CALL TO ORDER

The regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency was called to order at 4:12 p.m. on January 23, 2018 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor/Chairman Wagner presiding.

ROLL CALL

Present:	4	Councilmember/Boardmember:	Melissa Fox
		Councilmember/Boardmember:	Jeffrey Lalloway
		Mayor Pro Tempore/Vice Chairwoman:	Christina Shea
		Mayor/Chairman:	Donald P. Wagner
Absent:	1	Councilmember/Boardmember:	Lynn Schott

Mayor Wagner noted that Councilmember/Boardmember Schott would not be attending the meeting due to the illness of a family member.

PLEDGE OF ALLEGIANCE

Mayor Wagner led the Pledge of Allegiance.

INVOCATION

Pastor Kyle Zimmerman from Mariners Church in Irvine provided the invocation.

CITY MANAGER'S REPORT

There was no report.

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Councilmember Fox invited the community to join her on a wilderness hike on Friday, January 26 from 8 – 11 a.m. through the Limestone Canyon Nature Preserve. RSVP is required. For information, visit letsgooutside.org.

Councilmember Lalloway expressed his best wishes to the Philadelphia Eagles for a successful win on Super Bowl Sunday.

Mayor Wagner made the following announcements:

- With the upcoming Special Municipal Election on June 5, 2018, additional ballot measures may be forthcoming as part of a housekeeping effort to amend certain City ordinances and policies.
- The City of Irvine, in partnership with United Way of Orange County, is offering free tax preparation services from January 30 through April 12. Taxpayers who live, work, or attend school in Irvine and earned less than \$60,000 in 2017 are eligible to receive help electronically filing their tax returns from IRS-trained and certified volunteers. For information or to schedule an appointment, call 888-434-8248, or visit cityofirvine.org or unitedway.org.
- The City will launch a new recreation management software system on February 15. A new online class registration site is available now at yourirvine.org that allows residents to create accounts and serve as the central location for information on City classes, activities, events and facilities. The new site features benefits that include search and filtering capabilities, mobile-friendly access, activity reminders and easier account creation. Learn more by visiting yourirvine.org.

- The City of Irvine's Meals on Wheels program is seeking volunteers to assist older adults in maintaining their independence by providing hot, nutritious meals to homebound seniors. Volunteer opportunities include meal delivery drivers, weekdays from 10:30 a.m. to 1 p.m., and preparing and packaging meals, weekdays from 8 a.m. to noon. For information, call Community Services Senior Leader Jackie Friday at 949-724-6923 or jvargas@cityofirvine.org, or visit cityofirvine.org/mow.

ADDITIONS AND DELETIONS

There were no additions or deletions to the agenda.

CONVENE TO THE REGULAR JOINT MEETING

Mayor/Chairman Wagner convened to the regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency at 4:20 p.m.

1. CONSENT CALENDAR - CITY COUNCIL

ACTION: Moved by Councilmember/Boardmember Lalloway, seconded by Mayor Pro Tempore/Vice Chairwoman Shea, and unanimously carried by those members present (Councilmember/Boardmember Schott absent) to approve City Council Consent Calendar Item Nos. 1.1 through 1.6, and Successor Agency Consent Calendar Item Nos. 2.1 and 2.2, with the exception of City Council Consent Calendar Item Nos. 1.3 and 1.5, which were removed for separate discussion.

1.1 MINUTES

ACTION:

Approved the minutes of a regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency held on January 9, 2018.

1.2 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION:

Adopted RESOLUTION NO. 18-08 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

1.3 BUDGET ADJUSTMENT FOR SPECIAL MUNICIPAL ELECTION AND REFERENDUM PETITION SIGNATURE EXPENSES

This item was removed at the request of Councilmember Lalloway, who expressed his opposition and asked for a separate vote on the item.

There was no discussion.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

Approve a budget adjustment in the amount of \$281,278, for a one-time allocation of funds for referendum signature verification costs and corresponding June 5, 2018, Special Municipal Election administration expenses from the General Fund Contingency Reserve.

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

1.4 CITY ATTORNEY SERVICES AGREEMENT WITH RUTAN & TUCKER, LLP - AMENDMENT NO. 2

ACTION:

Authorized the Mayor to sign Amendment No. 2 to the agreement for City Attorney Services with the law firm of Rutan & Tucker, LLP, modifying the term of the agreement to provide for services on a month to month basis, until otherwise directed by the City Council. **(Contract No. 9079B)**

1.5 ORANGE COUNTY GREAT PARK SPORTS PARK SCOREBOARD AND SIGNAGE AGREEMENT

This item was removed at the request of Councilmember Lalloway, who expressed his opposition and asked for a separate vote on the item.

There was no discussion.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

Authorize the Mayor to execute the Orange County Great Park Sports Park Scoreboard and Signage Agreement between the City of Irvine and Heritage Fields. **(Contract No. 10053)**

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

1.6 NOTICE OF REVIEW AND PENDING APPROVAL FOR TRACT MAPS IN LOS OLIVOS, IRVINE BUSINESS COMPLEX AND GREAT PARK NEIGHBORHOODS (HERITAGE FIELDS EL TORO, LLC)

ACTION:
Received and filed.

2. CONSENT CALENDAR - SUCCESSOR AGENCY

2.1 MINUTES

ACTION:
Approved the minutes of the regular joint meeting of the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency with the Irvine City Council held on January 9, 2018.

2.2 SUCCESSOR AGENCY LEGAL SERVICES AGREEMENT WITH RUTAN & TUCKER, LLP – AMENDMENT NO. 2

ACTION:
Authorized the Chairman to sign Amendment No. 2 to the agreement for Successor Agency Legal Services with the law firm of Rutan & Tucker, LLP, modifying the term of the agreement to provide for services on a month to month basis, until otherwise directed by the City Council. **(Contract No. 9080B)**

PUBLIC COMMENT - SUCCESSOR AGENCY

There were no public comments.

ADJOURNMENT - REGULAR JOINT MEETING

Moved by Councilmember/Boardmember Fox, seconded by Mayor Pro Tempore/Vice Chairwoman Shea, and unanimously carried by those members present (Councilmember/Boardmember Schott absent) to adjourn the regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency at 4:23 p.m.

RECONVENE TO THE CITY COUNCIL MEETING

Mayor Wagner reconvened the regular City Council meeting at 4:24 p.m.

3. PUBLIC HEARINGS

3.1 CITYWIDE ZONE CHANGE TO AMEND APPLICABLE SECTIONS OF ZONING ORDINANCE SECTION 3-39 "CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED" TO ALLOW CANNABIS TESTING LABORATORIES (00728989-PZC)

Tim Gehrich, Deputy Director of Community Development, Mike Hallinan, Support Services/Administration Commander, and Jennifer Farrell, Deputy City Attorney, presented the staff report and responded to questions.

City Council discussion included: questioning University of California, Irvine's (UCI) interest in the matter and whether it met the proposed criteria; inquired about whether UCI was included within the proposed boundaries and if the boundaries could be adjusted at a later date to include UCI; noted a preference to include medical research; clarified ordinance restrictions and suggested additional restrictions to limit concentration of testing laboratories (labs) within each planning area; discussed restricting the proximity of labs from within 1,000 feet of parks; questioned public safety concerns; and expressed concern about the potential for unbalanced land values with other types of cannabis businesses.

Jennifer Farrell, Deputy City Attorney, clarified that UCI's interest may only include research and development and not commercial testing, and as such, would not be subject to the proposed ordinance.

Mayor Wagner opened the public hearing at 4:50 p.m. The following individuals spoke in support of the proposed ordinances:

Jim Fitzpatrick
Dr. Anthony Fontana, Truesdail Laboratories

Randy Gates, Truesdail Laboratories, spoke in support; however, expressed concern about the 1,000-foot proximity restriction to housing, and asked that the City Council consider exceptions in certain situations or adjusting the proximity restriction.

ACTION: By consensus of those members present (Councilmember Schott absent), Mayor Wagner closed the public hearing at 5:01 p.m.

Additional City Council discussion included: questioning whether UCI needed legal approval to conduct cannabis research; inquired about whether the proposed action allowed for cannabis dispensaries within the City; and suggested adjusting the boundary restrictions from 1,000 feet to 600 feet.

ACTION: Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Shea, and unanimously carried by those members present (Councilmember Schott absent), to:

- 1) Introduce for first reading and read by title only ORDINANCE NO. 18-01 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA AMENDING CHAPTER 3-39 OF THE IRVINE ZONING CODE (ENTITLED CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED) AND OTHER RELATED ZONING CODE SECTIONS TO ALLOW FOR CANNABIS TESTING LABORATORIES IN CERTAIN ZONING DISTRICTS (SECTIONS 1-2-1, 3-3-1, 3-37-29, 3-37-33, and 3-37-34) **AS AMENDED** to modify Sections 3-37-33. - 5.4(B)(4) and 3-37-34. - 5.5(B)(4) of the Irvine Zoning Code as follows:

Sec. 3-37-33. – 5.4 General Industrial

B. Permitted Uses.

4. Cannabis testing laboratory (not allowed within ~~1000~~ **600** feet of schools or residences)

Sec. 3-37-34. – 5.5 Medical and Science.

B. Permitted Uses.

4. Cannabis testing laboratory (not allowed within ~~1000~~ **600** feet of schools or residences)

ACTION: Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Shea, and unanimously carried by those members present (Councilmember Schott absent), to:

- 2) Introduce for first reading and read by title only ORDINANCE NO. 18-01 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA ADDING DIVISION 22 TO TITLE 4 OF THE IRVINE MUNICIPAL CODE PERMITTING CANNABIS TESTING LABORATORIES CONSISTENT WITH THIS DIVISION AND THE CITY'S ZONING CODE **AS AMENDED** to modify Sections 4-22-107(1)(d), and Section 4-22-107(1)(m), of the Irvine Municipal Code as follows:

Section 4-22-107 Cannabis Testing Laboratory Permit Application and Renewal Requirements.

1(d). Certification from the Community Development Director or his/her designee(s) that the proposed laboratory is located at least ~~1000~~ **600** feet away from any parcel zoned for residential purposes and at least ~~1000~~ **600** feet away from any school (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12), commercial day care center, or youth center.

1(m). A copy of the testing laboratory's certificate(s) of accreditation and/or application(s) for certificate(s) of **ISO/IEC 17025** accreditation, in compliance with state law. In the event the applicant only provides evidence of an **ISO/IEC** application, the applicant must demonstrate **a good faith effort towards receiving final accreditation approval within a reasonable amount of time. Failure to do so may be a basis for permit suspension or revocation, or denial of a request for permit renewal.** ~~that he/she has obtained final approval of a certificate of accreditation prior to commencing operations.~~

3.2 ZONE CHANGE TO AMEND IRVINE'S SIGN CODE TO ALLOW OFF-PREMISES ADVERTISING ON THE EXISTING ELECTRONIC FREEWAY SIGN LOCATED IN THE IRVINE AUTO CENTER AT 30 AUTO CENTER DRIVE IN PLANNING AREA 35 (IRVINE SPECTRUM 2)

Tim Gehrich, Deputy Director of Community Development, Bill Rodrigues, Principal Planner, and Jennifer Farrell, Deputy City Attorney, presented the staff report and responded to questions.

Mayor Wagner opened the public hearing at 5:15 p.m.

The following individuals spoke in support of off-premises advertising but opposition to the pilot program as proposed:

John Sackrison, OCADA
Thomas Corcovelos
Brad Mugg, Irvine Auto Center

Whit Peterson, Greater Irvine Chamber, spoke in support of the Auto Dealers Association and its desire for off-premises advertising.

ACTION: By consensus of those members present (Councilmember Schott absent), Mayor Wagner closed the public hearing at 5:23 p.m.

City Council discussion included: reiterating the intended goal of the proposed pilot program; requested clarification of the requirement to reapply every six months, and suggested alternatives to extend that requirement; and expressed concern about aesthetics and setting precedence if the pilot program was approved.

ACTION: Moved by Mayor Pro Tempore Shea to:

Introduce for first reading and read by title only ORDINANCE NO. 18-03 - AN ORDINANCE OF THE COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING ZONE CHANGE (00672334-PZC) TO TEMPORARILY SUSPEND CERTAIN PROVISIONS IN DIVISION 7, SIGNS, OF THE ZONING ORDINANCE RELATED TO OFF-PREMISES ADVERTISING ON THE IRVINE AUTO CENTER'S ELECTRONIC FREEWAY SIGN AND ESTABLISHING A PILOT PROGRAM TO ALLOW LIMITED OFF-PREMISES ADVERTISING ON THE IRVINE AUTO CENTER'S ELECTRONIC FREEWAY SIGN, SUBJECT TO APPROVAL OF A TEMPORARY SIGN PERMIT; FILED BY THE AUTO CENTER COMMUNITY ASSOCIATION **AS AMENDED** to require that a report be provided to the City Council after twelve (12) months and at the end of the three

(3) year pilot program, at which time the City Council could eliminate or renew the pilot program.

Motion failed for lack of second.

Additional City Council discussion included: discussing alternate review periods within the entire three-year program.

City Attorney Melching noted that the suggested six-month intervals would provide the City Council an opportunity to ensure that the pilot program was working, but reiterated that the City Council could amend those intervals at its discretion.

Following discussion, Mayor Pro Tempore Shea revised her motion.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

Introduce for first reading and read by title only ORDINANCE NO. 18-03 - AN ORDINANCE OF THE COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING ZONE CHANGE (00672334-PZC) TO TEMPORARILY SUSPEND CERTAIN PROVISIONS IN DIVISION 7, SIGNS, OF THE ZONING ORDINANCE RELATED TO OFF-PREMISES ADVERTISING ON THE IRVINE AUTO CENTER'S ELECTRONIC FREEWAY SIGN AND ESTABLISHING A PILOT PROGRAM TO ALLOW LIMITED OFF-PREMISES ADVERTISING ON THE IRVINE AUTO CENTER'S ELECTRONIC FREEWAY SIGN, SUBJECT TO APPROVAL OF A TEMPORARY SIGN PERMIT; FILED BY THE AUTO CENTER COMMUNITY ASSOCIATION **AS AMENDED** to modify language in Exhibit A to the Ordinance as follows:

Three Year Pilot Program for Sign Type #26A: Subject to approval of a temporary sign permit pursuant to Chapter 2-29 of this Zoning Ordinance, the electronic, LED digital display on the pylon sign authorized as part of Sign Type #26A may display off-premises advertising up to 25 percent of the total time. The term of any temporary sign permit issued pursuant to this pilot program shall ~~not exceed six (6) months or the remaining term of this pilot program, whichever is less~~ **be one (1) year and any extension of the term of the pilot program shall end coterminous with the expiration of the pilot program.** As a condition of approval of any temporary sign permit for off-premises advertising, the permit holder shall agree to allow the City of Irvine to use the electronic, LED digital display to display public service messages up to 10 percent of the total time. To the extent, this pilot program is

inconsistent with any provision in the Zoning Ordinance, including without limitation the regulations relating to Sign Type #26A and Section 7-2-3.A.7 relating to “off-premises commercial messages,” the terms of this pilot program shall prevail during the term of the pilot program. The term of this pilot program shall end March 15, 2021. **Staff shall provide a report to the City Council as to the status of the pilot program at the end of each year of the pilot program.**

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

3.3 APPEALS OF THE PLANNING COMMISSION’S APPROVAL OF THE 15 DEGREES SOUTH PROJECT; GENERALLY LOCATED AT THE NORTHEAST CORNER OF MAIN STREET AND CARTWRIGHT ROAD IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

Tim Gehrich, Deputy Director of Community Development, Bill Rodrigues, Principal Planner, and Alisha Patterson, Assistant City Attorney, presented the staff report and responded to questions.

Mayor Wagner opened the public hearing at 5:53 p.m. The following individuals spoke in support of the project:

Elizabeth Hansburg, People for Housing
Tim Strader, Jr., Starpointe Ventures
Greg Smith, Irvine Planning Commissioner

The following individuals spoke in opposition:

Karen Martin, Pacific Planning
Deborah Rosenthal, FYK
Gregory Weiler
John G. McClendon, IRE
Ketan Parekh, ILS
Mina Brown, Pacific Planning Group

City Council discussion included: noting concerns raised by the appellants; reiterated that the underlying matter was based on the existing unit cap and allocation process related to the Irvine Business Complex (IBC); questioned number of units remaining after Planning Commission

approval of the 15 Degrees South project; inquired about existing units already spoken for and associated timeframe for developers to construct those units, and any available extension options; questioned the process if the City Council chose to increase the unit cap in the IBC; noted deficiencies related to the GHC Properties project; inquired about the Transportation Commission's recommendations related to the 15 Degrees South and GHB Properties projects; and reiterated that the City Council's intent was to evaluate all projects in a fair and consistent manner.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, and unanimously carried by those members present (Councilmember Schott absent), to close the public hearing at 7:06 p.m.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, and unanimously carried by those members present (Councilmember Schott absent), to:

Deny the appeals, thereby sustaining the Planning Commission's decision and approve the project:

- A) Adopted RESOLUTION NO. 18-09 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AFFIRMING THE PLANNING COMMISSION'S APPROVAL OF VESTING TENTATIVE TRACT MAP 18093 (00702224-PTT) TO SUBDIVIDE 3.73 ACRES FOR RESIDENTIAL CONDOMINIUM PURPOSES FOR THE 15 DEGREES SOUTH RESIDENTIAL PROJECT, GENERALLY LOCATED AT THE NORTHEAST CORNER OF MAIN STREET AND CARTWRIGHT ROAD IN PLANNING AREA 36; FILED BY J&R MAIN STREET LLC
- B) Adopted RESOLUTION NO. 18-10 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AFFIRMING THE PLANNING COMMISSION'S APPROVAL OF PARK PLAN (00698461-PPP) FOR THE 15 DEGREES SOUTH RESIDENTIAL PROJECT, GENERALLY LOCATED AT THE NORTHEAST CORNER OF MAIN STREET AND CARTWRIGHT ROAD IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX); FILED BY J&R MAIN STREET LLC
- C) Adopted RESOLUTION NO. 18-11 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING AN AFFORDABLE HOUSING PLAN WITH A DENSITY BONUS AND AFFIRMING THE PLANNING COMMISSION'S APPROVAL OF CONDITIONAL USE PERMIT (00696272-PCPU) FOR A PROJECT CONSISTING OF 150 RESIDENTIAL UNITS INCLUDING AN

AFFORDABLE HOUSING PLAN WITH DENSITY BONUS, A TRANSFER OF DEVELOPMENT RIGHTS, A WAIVER OF AVERAGE DAILY TRAFFIC, AND ADMINISTRATIVE RELIEF FOR DISTANCE TO RESIDENT PARKING SPACES, GENERALLY LOCATED AT THE NORTHEAST CORNER OF MAIN STREET AND CARTWRIGHT ROAD IN PLANNING AREA 36; FILED BY J&R MAIN STREET LLC

4. COUNCIL BUSINESS

4.1 REQUEST FOR PROPOSAL – CONSULTING SERVICES TO CONDUCT SEARCH FOR CITY MANAGER

Jimme Medina, Deputy Director of Administrative Services, and Brian King, Manager of Human Resources, presented the staff report and responded to questions.

City Council discussion included: inquiring about rating sheets and whether they were public record; reiterated that this recruitment was unique and not part of the normal procurement process; inquired about the overall scoring system as well as procurement policies and procedures; and reiterated the need to move forward due to time constraints.

ACTION: Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Shea, and unanimously carried by those members present (Councilmember Schott absent), to:

Select Ralph Andersen & Associates to conduct a search for the City Manager and direct staff to execute a contract for recruitment services. **(Contract No. 10054)**

4.2 JAMBOREE/MICHELSON PEDESTRIAN BRIDGE UPDATE

Thomas Perez, CIP Administrator, and Travis Frankel, representing AECOM, presented the staff report and responded to questions.

Carrie O'Malley, Transportation Commissioner, spoke in opposition to a girder type bridge, and in support of a truss bridge.

Tim Strader Jr., Starpointe Ventures, and Donna Mathiason, Lennar/Central Park West, spoke in support of a pedestrian bridge; however, expressed concerns about the landing and offered suggestions to address those concerns.

City Council discussion included: questioning whether the truss bridge option was provided to adjacent tenants and property owners in the outreach process; inquired about the differences in Transportation

Commission and staff recommendations; discussed the differences between a girder and truss bridge, as well as various design options and modifications; and questioned similarities and differences with the pedestrian bridge located at Irvine Boulevard and Ridge Valley in the Great Park Neighborhoods.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Lalloway, to:

Approve the “girder” bridge type as the preferred design concept for the proposed bridge and authorize staff to proceed with preparation of environmental documents, refinement of bridge landing areas and right-of-way impacts, final engineering and preparation of construction cost estimates.

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Lalloway and Shea

NOES: 1 COUNCILMEMBERS: Wagner

ABSENT: 1 COUNCILMEMBERS: Schott

4.3 JAMBOREE CORRIDOR TRAFFIC IMPROVEMENTS

Manuel Gomez, Director of Public Works, and Mark Linsenmayer, Director of Transportation, presented the staff report and responded to questions.

Carrie O'Malley, Transportation Commissioner, noted that the Transportation Commission unanimously recommended approval of the Jamboree/ Barranca Intersection Widening Project (CIP 311206), and did not recommend approval the Jamboree/Main Intersection Widening (CIP 311205) and Jamboree Widening from Barranca to Main (CIP 311615) projects.

City Council discussion included: discussing additional lanes on Jamboree and potential alternatives; expressed concern about continued traffic issues in the Irvine Business Complex (IBC); reiterated Transportation Commission concerns with two of the three projects; noted new construction in Newport Beach and its impact on the IBC; and expressed concern about removing sidewalks and bike lanes if needed for road widening.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

- 1) Approve the right-of-way and construction phases of the Jamboree/Barranca Intersection Widening (CIP 311206) as part of the Jamboree Corridor traffic improvement project.
- 2) Not approve the right-of-way and construction phases of Jamboree/Main Intersection Widening (CIP 311205) and Jamboree Widening From Barranca to Main (CIP 311615) as part of the Jamboree Corridor traffic improvement project.

Following discussion, it was suggested that votes be taken on each project individually, following which Mayor Pro Tempore Shea agreed and withdrew her motion.

ACTION: Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Shea, and unanimously carried by those members present (Councilmember Schott absent), to:

Approve the right-of-way and construction phases of the Jamboree/Barranca Intersection Widening (CIP 311206) as part of the Jamboree Corridor traffic improvement project.

ACTION: Moved by Councilmember Fox, seconded by Mayor Pro Tempore Shea, to:

Not approve the right-of-way and construction phases of Jamboree/Main Intersection Widening (CIP 311205) as part of the Jamboree Corridor traffic improvement project.

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

ACTION: Moved by Councilmember Fox, seconded by Mayor Pro Tempore Shea, to:

Not approve the right-of-way and construction phases of Jamboree Widening From Barranca to Main (CIP 311615) as part of the Jamboree Corridor traffic improvement project.

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

Mayor Wagner left the meeting at 8:07 p.m., to which Mayor Pro Tempore Shea assumed the role of presiding officer.

PUBLIC COMMENT-CITY COUNCIL

Brigitte noted recent actions taken by the Orange County court system and spoke in support of her friend Ilya Tseglin.

Ilya and Robert Tseglin reiterated a domestic situation regarding an autistic family member.

ADJOURNMENT-CITY COUNCIL

Moved by Councilmember Lalloway, seconded by Councilmember Fox, and unanimously carried by those members present (Mayor Wagner and Councilmember Schott absent), to adjourn the regular City Council meeting at 8:18 p.m.

MAYOR OF THE CITY OF IRVINE

CITY CLERK OF THE CITY OF IRVINE

February 13, 2018



MINUTES

CITY COUNCIL SPECIAL MEETING

January 30, 2018
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

The special meeting of the Irvine City Council was called to order at 2:05 p.m. on January 30, 2018 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor Wagner presiding.

ROLL CALL

Present:	5	Councilmember:	Melissa Fox
		Councilmember:	Jeffrey Lalloway
		Councilmember:	Lynn Schott
		Mayor Pro Tempore:	Christina Shea
		Mayor:	Donald P. Wagner

PLEDGE OF ALLEGIANCE

Mayor Wagner led the Pledge of Allegiance.

1. CLOSED SESSION

City Attorney Melching announced the following Closed Session item:

- 1.1 PUBLIC EMPLOYEE APPOINTMENT: Government Code Section 54957 - Title: Interim City Manager**

RECESS

Mayor Wagner convened the City Council meeting to Closed Session at 2:06 p.m.

RECONVENE TO THE CITY COUNCIL MEETING

Mayor Wagner reconvened the City Council meeting at 4:12 p.m. Councilmembers Lalloway and Schott were noted absent.

City Attorney Melching, on behalf of the City Council, announced that no reportable action was taken in Closed Session.

2. COUNCIL BUSINESS

2.1 *DISCUSSION OF CITY COUNCIL ELECTION ACTIONS AND ADOPTION OF RESOLUTIONS CONTAINING A REVISED BALLOT LABEL RELATED TO THE SPECIAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2018*

Jeff Melching, City Attorney, presented the staff report and responded to questions.

Judith Gass and Mary Ann Gaido spoke in opposition to the proposed revised ballot label and suggested alternative language.

City Council discussion included: discussing the content of the revised ballot label and whether such language was easy to understand and impartial; inquired about the 75-word count limit and noted the importance of including as much information as possible without exceeding that limit; and reiterated that the underlying issue was related to the location of a veterans cemetery, further noting that the cemetery would not be moving off the former military site.

City Attorney Melching clarified the concerns raised by Ms. Gaido, and reiterated that the ballot label as proposed was sustainable and complied with Election Code requirements.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, and unanimously carried by those members present (Councilmembers Lalloway and Schott absent), to:

- 1) Adopt RESOLUTION NO. 18-12 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, SUPERSEDING RESOLUTION 18-04 AND CALLING FOR THE HOLDING OF A SPECIAL MUNICIPAL ELECTION ON TUESDAY, JUNE 5, 2018, FOR THE SUBMISSION TO THE QUALIFIED VOTERS A REFERENDUM

- 2) Adopt RESOLUTION NO. 18-13 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, SUPERSEDING RESOLUTION 18-05 AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, JUNE 5, 2018, WITH THE STATEWIDE PRIMARY ELECTION TO BE HELD ON THE DATE PURSUANT TO SECTION 10403 OF THE ELECTION CODE

ADJOURNMENT

Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, and unanimously carried by those members present (Councilmembers Lalloway and Schott absent) to adjourn the special City Council meeting at 2:36 p.m.

MAYOR OF THE CITY OF IRVINE

CITY CLERK OF THE CITY OF IRVINE

February 13, 2018

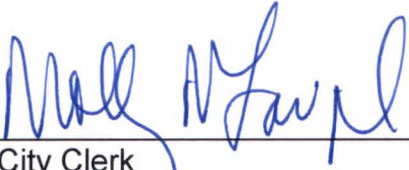
3.2



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: PROCLAMATIONS/COMMENDATIONS



City Clerk

RECOMMENDED ACTION:

1. Proclaim March 15-18, 2018 as the "110th California State Daughters of the American Revolution Conference."
2. Commend Chelle Friedman on 40 Years of Service to Jewish Federation & Family Services, Orange County.

CITY OF IRVINE

Proclamation

CALIFORNIA STATE SOCIETY DAUGHTERS OF THE AMERICAN REVOLUTION MARCH 15-18, 2018

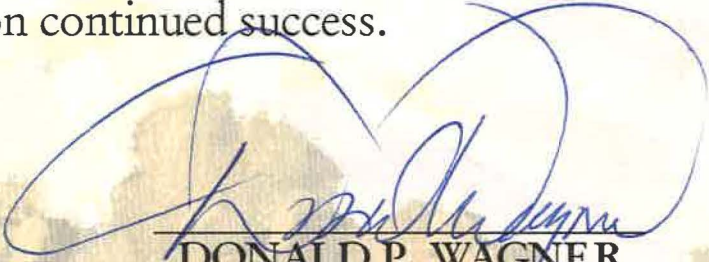
WHEREAS, the National Society Daughters of the American Revolution, founded in 1890, is an organization dedicated to providing service to the nation; and

WHEREAS, the organization is comprised of 3,000 chapters in all fifty states, Washington D.C. and internationally, and 185,000 members; and

WHEREAS, the objectives of the National Society Daughters of the American Revolution include historic preservation, promotion of education, and patriotic endeavors; and

WHEREAS, the 110th California Daughters of the American Revolution State Conference, with the theme "Service Over Self," will be held in Irvine on March 15-18, 2018 with over 500 participants attending.

NOW THEREFORE, the City Council of the City of Irvine DOES HEREBY WELCOME THE 2018 CALIFORNIA STATE SOCIETY DAUGHTERS OF THE AMERICAN REVOLUTION CONFERENCE on March 15-18, 2018, and wishes the organization continued success.


DONALD P. WAGNER
MAYOR OF THE CITY OF IRVINE
FEBRUARY 13, 2018



 CITY OF IRVINE 

Commendation

JE WISH FEDERATION & FAMILY SERVICES, ORANGE COUNTY

CHELLE FRIEDMAN 40 YEARS OF SERVICE

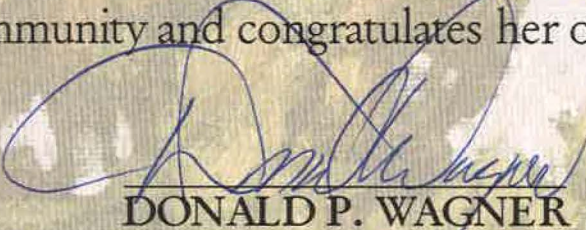
WHEREAS, Chelle Friedman has served the community as a senior staff member of Jewish Federation & Family Services, Orange County for 40 years; and

WHEREAS, Chelle Friedman's family has been part of Jewish Federation & Family Services since its founding in 1965, with her husband Alan having been a signer of the federation's charter; and

WHEREAS, Chelle Friedman has also served the community as Founding Director of the Israel Expo; Director for the Women's Philanthropy Division of the Jewish Community Relations Committee; volunteer positions at Temple Beth Sholom and the KOCE-TV Advisory Board; Chair of the Orange Unified School District Intercultural Education Commission; Founding Member of the Catholic Jewish Dialog in Orange County, and Chapter and Regional President as well as National Board Member, for ORT America; and

WHEREAS, Chelle Friedman announced her retirement after 40 years of service to Jewish Federation & Family Services, Orange County, and will be honored for her service on February 18, 2018 at an event at the Merage Jewish Community Center in Irvine.

NOW, THEREFORE, the City Council of the City of Irvine
DOES HEREBY COMMEND Chelle Friedman for 40 years of service to the community and congratulates her on her retirement.


DONALD P. WAGNER
MAYOR OF THE CITY OF IRVINE
FEBRUARY 13, 2018



3.3



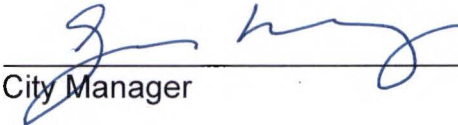
REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: WARRANT AND WIRE TRANSFER RESOLUTION



Director of Administrative Services



City Manager

RECOMMENDED ACTION

Adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

EXECUTIVE SUMMARY

A detailed register of claims, the Register of Warrants and Wire Transfers, are submitted to the City Council for review and authorization on a weekly basis. Approval of the attached resolution ratifies the disbursement of funds for the period of January 17, 2018 through February 6, 2018 in accordance with Section 2-7-211 of the Irvine Municipal Code.

ATTACHMENT Warrant and Wire Transfer Resolution

CITY COUNCIL RESOLUTION NO. 18-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND
DEMANDS AND SPECIFYING THE FUNDS OUT OF
WHICH THE SAME ARE TO BE PAID

(SEE ATTACHED)

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular
meeting held on the 13th day of January 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY MCLAUGHLIN, City Clerk of the City of Irvine, HEREBY DO CERTIFY
that the foregoing resolution was duly adopted at a regular meeting of the City Council
of the City of Irvine, held on the 13th day of January 2018.

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

1/17/2018 through 1/23/2018

REGISTER OF DEMANDS AND WARRANTS

Fund	Fund Description	Amount
001	GENERAL FUND	335,308.23
004	PAYROLL CLEARING FUND	1,340,791.51
005	DEVELOPMENT SERVICES FUND	94,602.00
024	BUILDING & SAFETY FUND	55,191.95
027	DEVELOPMENT ENGINEERING FUND	11,573.00
111	GAS TAX FUND	63,444.51
118	SYSTEMS DEVELOPMENT FUND	2,887.50
119	LIGHTING, LANDSCAPE & PARK MNT	555,616.20
126	SENIOR SERVICES FUND	190.00
128	OFFICE ON AGING PROGRAMS FUND	3,993.42
132	SLURRY SEAL SUR CHG FUND	618,753.11
151	ASSET FORFEITURE JUSTICE DEPT	5,417.62
180	ORANGE COUNTY GREAT PARK	1,743,731.69
250	CAPITAL IMPROV PROJ FUND - CIR	36,690.75
260	CAPITAL IMPROV PROJ-NON CIRC	206,762.82
286	GREAT PARK DEVELOPMENT FUND	74,573.95
570	INSURANCE FUND	67,377.98
574	FLEET SERVICES FUND	8,083.83
579	STRATEGIC TECHNOLOGY PLAN FUND	18,662.33
580	CIVIC CTR MAINT & OPERATIONS	1,553.29
744	CFD 2013-3 GREAT PARK	6,185.05
745	CFD 2005-2R COLUMBUS GROVE SP	957.95
746	CFD 2004-1 CENTRAL PARK	1,603.52
781	INTERAGENCY CUSTODIAL FUND	3,107.26
	GRAND TOTAL	5,257,059.47

1/24/2018 through 1/30/2018

REGISTER OF DEMANDS AND WARRANTS

<u>Fund</u>	<u>Fund Description</u>	<u>Amount</u>
001	GENERAL FUND	655,025.68
002	ASSET MANAGEMENT PLAN FUND	142.57
004	PAYROLL CLEARING FUND	1,010,741.77
005	DEVELOPMENT SERVICES FUND	117,411.97
009	REVENUE CLEARING FUND	1,972.38
024	BUILDING & SAFETY FUND	220,038.45
027	DEVELOPMENT ENGINEERING FUND	21,080.50
111	GAS TAX FUND	32,837.07
113	FEES & EXACTIONS FUND	182.13
114	HOME GRANT	4,149.10
119	LIGHTING, LANDSCAPE & PARK MNT	63,984.51
125	COMM DEVELOP BLOCK GRANT FUND	6,929.93
126	SENIOR SERVICES FUND	105.75
128	OFFICE ON AGING PROGRAMS FUND	7,858.67
139	SUPPL LAW ENFORCEMENT SERVICES	5,769.83
143	PUBLIC SAFETY GRANTS	2,010.94
146	I SHUTTLE	1,688.63
154	RENEWED MEASURE M2 FAIR SHARE	2,730.00
155	COMMUNITY SERVICES PROGRAMS	3,889.32
180	ORANGE COUNTY GREAT PARK	22,914.98
204	CFD 2013-3 GREAT PARK	37,719.40
207	AD 85-7 SPECTRUM 1, 3 & 4	667,001.25
250	CAPITAL IMPROV PROJ FUND - CIR	79,359.15
260	CAPITAL IMPROV PROJ-NON CIRC	9,543.70
270	NORTH IRVINE TRANSP MITIGATION	7,619.25
271	IRVINE BUSINESS COMPLEX	17,342.00
501	INVENTORY	-8.33
570	INSURANCE FUND	52,363.78
574	FLEET SERVICES FUND	32,509.44
578	MAIL INTERNAL SERVICES	223.71
579	STRATEGIC TECHNOLOGY PLAN FUND	43,261.74
580	CIVIC CTR MAINT & OPERATIONS	14,003.02
744	CFD 2013-3 GREAT PARK	6,192.43
781	INTERAGENCY CUSTODIAL FUND	2,489.90
GRAND TOTAL		3,151,084.62

1/31/2018 through 2/6/2018

REGISTER OF DEMANDS AND WARRANTS

Fund	Fund Description	Amount
001	GENERAL FUND	607,068.97
004	PAYROLL CLEARING FUND	38,248.72
005	DEVELOPMENT SERVICES FUND	91,670.75
024	BUILDING & SAFETY FUND	150,875.55
027	DEVELOPMENT ENGINEERING FUND	400.00
111	GAS TAX FUND	145.00
114	HOME GRANT	9,722.50
119	LIGHTING, LANDSCAPE & PARK MNT	122,251.54
125	COMM DEVELOP BLOCK GRANT FUND	59,960.82
128	OFFICE ON AGING PROGRAMS FUND	4,748.90
132	SLURRY SEAL SUR CHG FUND	25,747.40
180	ORANGE COUNTY GREAT PARK	127,614.02
219	AD 04-20 PORTOLA SPRINGS	440.00
220	AD 05-21 ORCHARD HILLS	3,980.40
250	CAPITAL IMPROV PROJ FUND - CIR	180,992.59
260	CAPITAL IMPROV PROJ-NON CIRC	88,923.94
271	IRVINE BUSINESS COMPLEX	331.66
286	GREAT PARK DEVELOPMENT FUND	15,382.58
501	INVENTORY	24,549.72
570	INSURANCE FUND	28,082.64
574	FLEET SERVICES FUND	2,742.80
578	MAIL INTERNAL SERVICES	75,243.84
579	STRATEGIC TECHNOLOGY PLAN FUND	876,758.38
580	CIVIC CTR MAINT & OPERATIONS	495.00
714	REASSESSMENT 12-1 FIXED RATE	5,505.50
715	AD 13-25 FIXED RATE	259.42
716	RAD 13-1 FIXED RATE	1,886.67
717	RAD 04-20 PORTOLA SPR VAR RT A	82.92
718	RAD 05-21 ORCHARD HLS VAR RT	100.50
719	REASSESSMENT 85-7A VARIABLE RT	57.67
721	AD00-18 SHADY CNYN&TURLT ROCK	38.17
723	AD03-19 WOODBURY SER B VAR RT	31.08
724	AD 07-22 STONEGATE VAR RT A	28.58
726	AD10-23 SERIES B FR LAGUNA ALT	156.33
730	11-24 FIXED RT CYPRESS VILLAGE	808.75
731	AD07-22 GROUP 4 FIXED RATE	528.25
732	RAD 04-20 GROUP 3 FIXED RATE	183.00
735	AD03-19 WOODBURY SER A VAR RT	31.08
760	AD87-8 ICD/BAKE PKWY DEBT SVC	9,033.00
767	AD94-15 WESTPARK II SERIES A	33.00
771	AD97-16 NORTHWEST IRVINE VARI	35.83
772	RAD 15-1 FIXED RATE	3,010.25
773	RAD 15-2 FIXED RATE	1,177.42
774	AD94-13 VARIABLE RT-OAKCREEK	32.00
775	AD97-17 LOWER PETERS CYN EAST	37.75
776	AD93-14 SPECT 6N/SPECT 7	52.00
777	RAD 05-21 G1 FIXED RATE	890.08

1/31/2018 through 2/6/2018

REGISTER OF DEMANDS AND WARRANTS

Fund	Fund Description	Amount
778	RAD 04-20 G4 FIXED RATE	301.83
779	RAD 04-20 G5 FIXED RATE	119.92
	GRAND TOTAL	<hr/> 2,560,798.72

3.4



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: ADOPTION OF RESOLUTION OF INTENT TO INITIATE CHANGE PROCEEDINGS AND FORM COMMUNITY FACILITIES DISTRICT NO. 2013-3 IMPROVEMENT AREA NO. 9, SET TIME AND PLACE FOR PUBLIC HEARING, AND ESTABLISH TIME, PLACE, AND PROCEDURES FOR ELECTION



Director of Administrative Services



City Manager

RECOMMENDED ACTIONS

1. Adopt - A RESOLUTION OF CONSIDERATION AND INTENTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), TO CHANGE AND MODIFY AN EXISTING IMPROVEMENT AREA AND THEREBY DESIGNATE AN ADDITIONAL IMPROVEMENT AREA, IMPROVEMENT AREA NO. 9, WITHIN CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES
2. Adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), DECLARING ITS INTENTION TO INCUR BONDED INDEBTEDNESS FOR IMPROVEMENT AREA NO. 9 OF THE CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK)

EXECUTIVE SUMMARY

In March 2013, the Irvine City Council formed Community Facilities District No. 2013-3 (District) for the area known as Great Park. This District was formed with three designated Improvement Areas, each of which was authorized to incur bonded indebtedness. Improvement Area No.1 was formed for Heritage Fields El Toro, LLC's (Heritage Fields) initial area of development. Improvement Area No. 3 was formed for City-owned property. At the time of formation, Improvement Area No. 2 (IA No. 2) was established with the intention it would later be subdivided into smaller improvement areas as development occurred. Recently, Heritage Fields has requested a portion of IA No. 2, of which it is the sole owner, be designated Improvement Area No. 9 (IA No. 9), as shown on the Proposed Boundary Map (Attachment 1). Approval of the resolution of

intention to designate IA No. 9 (Attachment 2), the associated rate and method of apportionment, and the resolution declaring the intention to incur bonded indebtedness (Attachment 3) is required to designate the additional area.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

Not applicable.

ANALYSIS

The District, comprised of three Improvement Areas, was formed on March 26, 2013, under the Amended and Restated Development Agreement (ARDA) between the City and Heritage Fields dated December 27, 2010. The City Council, as the legislative body of the District, formed the District and authorized bonded indebtedness for each improvement area. At the time of formation, IA No. 2 was established with the intention it would later be subdivided into smaller improvement areas as development occurred. Improvement Areas 4 and 5 were designated in 2014. Improvement Areas 6, 7, and 8 were designated in 2015. Recently, Heritage Fields requested the designation of IA No. 9.

The proposed IA No. 9 consists of approximately 45 acres. It is located south of Irvine Boulevard, west of Ridge Valley, and east of Laguna Freeway (SR 133). IA No. 9 is currently planned for residential development with an estimated 516 attached and detached homes.

Adoption of the recommended actions will set a public hearing for Tuesday, March 27, 2018 at 4:00 p.m., or soon thereafter, to consider the designation of IA No. 9 and determine the need to incur bonded indebtedness for this improvement area. The special tax generated by IA No. 9 will be used primarily to fund backbone infrastructure benefiting the Great Park Neighborhoods and the Orange County Great Park (OCGP), and to fund operations and maintenance at the OCGP, as documented in the ARDA and other implementing agreements between the City and Heritage Fields. Once the developer requests a bond issuance for this improvement area, staff will return to the City Council for authorization to issue bonds.

ALTERNATIVES CONSIDERED

The City Council could choose not to adopt the resolutions to initiate change proceedings to designate IA No. 9. This alternative would be inconsistent with the intent of existing agreements between the City and Heritage Fields.

FINANCIAL IMPACT

The authorization to designate IA No. 9 will not have a financial impact to the City's General Fund. However, the special tax generated from the improvement area will provide funding for Authorized Facilities and Authorized Services as defined in the ARDA after meeting the required debt service payments.

REPORT PREPARED BY Jennifer King, Finance Administrator

ATTACHMENTS

1. Proposed Boundary Map IA No. 9
2. Resolution – Intention to Designate An Additional Improvement Area IA No. 9
3. Resolution – Intention to Incur Bonded Indebtedness IA No. 9

PROPOSED BOUNDARIES OF
IMPROVEMENT AREA No. 9 OF
CITY OF IRVINE
COMMUNITY FACILITIES DISTRICT No. 2013-3
(Great Park)
COUNTY OF ORANGE, STATE OF CALIFORNIA

Assessor Parcels within
IMPROVEMENT AREA No. 9:
580-861-14
580-861-16
580-861-17
580-861-19

(1) Filed in the office of the City Clerk of the City of Irvine this
____ day of _____, 2018.

Molly McLaughlin, City Clerk of the City of Irvine

(2) I hereby certify that the within map showing the proposed
boundaries of Improvement Area No. 9 of City of Irvine
Community Facilities District No. 2013-3 (Great Park),
Orange County, State of California, was approved by the
City Council of the City of Irvine at a general meeting
thereof, held on this ____ day of _____, 2018, by
its Resolution No. _____.

Molly McLaughlin, City Clerk of the City of Irvine

Recording Requested by: City of Irvine

(3) Filed this ____ day of _____, 2018, at the
hour of ____ o'clock __m, in Book _____ of
Maps of Assessment and Community Facilities
Districts at page _____ and as Instrument No.
_____ in the office of the County
Recorder of the County of Orange, State of California.

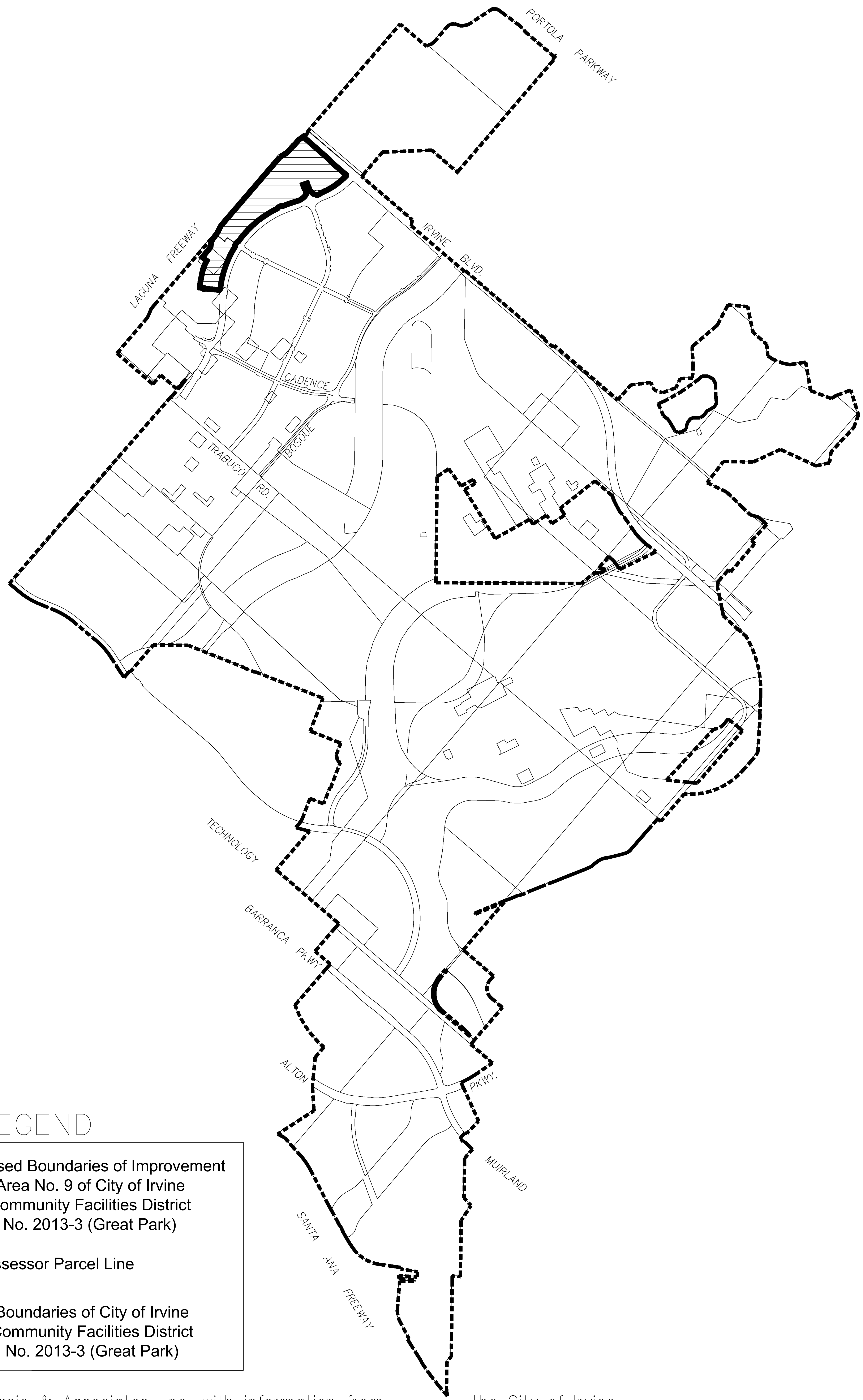
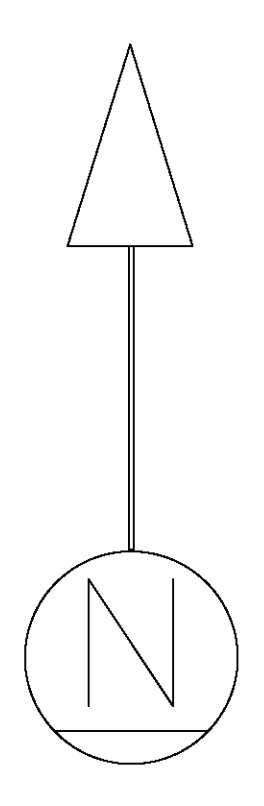
Reference is hereby made to the Assessor
maps of the County of Orange for a
description of the lines and dimensions of
each lot and parcel.

Hugh Nguyen
County Clerk-Recorder of County of Orange

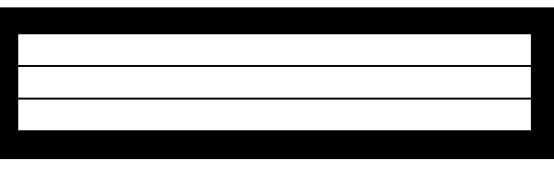
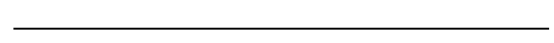

By _____
Deputy

Fee _____
Exempt recording requested, per
CA Government Code §6103

PROPOSED BOUNDARIES OF
IMPROVEMENT AREA No. 9 OF
CITY OF IRVINE
COMMUNITY FACILITIES DISTRICT No. 2013-3
(Great Park)
COUNTY OF ORANGE, STATE OF CALIFORNIA



LEGEND

	Proposed Boundaries of Improvement Area No. 9 of City of Irvine Community Facilities District No. 2013-3 (Great Park)
	Assessor Parcel Line
	Boundaries of City of Irvine Community Facilities District No. 2013-3 (Great Park)

CITY COUNCIL RESOLUTION NO. 18-XX

A RESOLUTION OF CONSIDERATION AND INTENTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), TO CHANGE AND MODIFY AN EXISTING IMPROVEMENT AREA AND THEREBY DESIGNATE AN ADDITIONAL IMPROVEMENT AREA, IMPROVEMENT AREA NO. 9, WITHIN CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”), the City Council (the “City Council”) of the City of Irvine (the “City”) previously established the City of Irvine Community Facilities District No. 2013-3 (Great Park) (the “Community Facilities District”) for the purpose of financing certain public facilities and services (the “Facilities and Services”); and

WHEREAS, the City Council has, pursuant to the provisions of the Act, designated portions of the Community Facilities District as eight improvement areas, known as Improvement Area No. 1 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 1”), Improvement Area No. 2 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 2”), Improvement Area No. 3 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 3”), Improvement Area No. 4 of the City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 4”), Improvement Area No. 5 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 5”), Improvement Area No. 6 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 6”), Improvement Area No. 7 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 7”), and Improvement Area No. 8 of City of Irvine Community Facilities District No. 2013-3 (Great Park) (“Improvement Area No. 8”), for the purpose of contributing to the financing of the Facilities and Services; and

WHEREAS, the City Council has received a written petition (the “Petition”) from Heritage Fields El Toro, LLC (the “Developer”) requesting that proceedings be instituted to designate an additional improvement area within the Community Facilities District for the purpose of contributing to the financing of the Facilities and Services, the boundaries of which would include certain of the Developer’s property that is within the boundaries of the Community Facilities District pursuant to Government Code Sections 53331 *et seq.* and 53350; and

WHEREAS, said proposed improvement area is currently located within the boundaries of Improvement Area No. 2; and

ATTACHMENT 2

WHEREAS, the Developer has represented and warranted to the City Council that the Developer is the owner of all of the area of land to be included within proposed IMPROVEMENT AREA NO. 9 of the Community Facilities District; and

WHEREAS, under the Act, the City Council is authorized to designate said improvement area within the Community Facilities District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Irvine, as the Legislative Body of City of Irvine Community Facilities District No. 2013-3 (Great Park), as follows:

Section 1. For purposes of contributing to the financing of the Facilities and Services to be financed by the improvement area, the City Council proposes to designate a portion of the Community Facilities District as a new improvement area. The boundaries of the portion of the Community Facilities District proposed to be designated as a new improvement area are described as Improvement Area No. 9 in the Boundary Map showing the proposed improvement area (the "Boundary Map") on file with the City Clerk (the "Clerk"), which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The Clerk is hereby directed to sign the original Boundary Map and record, or cause to be recorded, the Boundary Map with all proper endorsements thereon in the office of the County Recorder within 15 days of the date of adoption of this Resolution, all as required by Section 3111 of the California Streets and Highways Code.

Section 2. The improvement area designated within the Community Facilities District is proposed to be known as "Improvement Area No. 9 of City of Irvine Community Facilities District No. 2013-3 (Great Park)" ("Improvement Area No. 9").

Section 3. The public facilities (the "Facilities") and services (the "Services") authorized to be financed by Improvement Area No. 9, pursuant to the Act are described on Exhibit A attached hereto, which is by this reference incorporated herein. All or any portion of the Facilities and Services may be financed through a financing plan, including, but not limited to, a lease, lease-purchase or installment-purchase arrangement.

Section 4. Except where funds are otherwise available, a special tax sufficient to pay for all Facilities and Services, secured by recordation of a continuing lien against all nonexempt real property in Improvement Area No. 9, will be annually levied within Improvement Area No. 9. The rate and method of apportionment of the special tax for Improvement Area No. 9 (the "Rate and Method"), in sufficient detail to allow each landowner within the proposed Improvement Area to estimate the maximum amount that he or she will have to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The conditions under which the obligation to pay the special tax for Improvement Area No. 9 may be prepaid and permanently satisfied are specified in the Rate and Method. The special tax for Improvement Area No. 9 will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners. The tax year after which no further special tax for Improvement Area

No. 9 to pay for public facilities will be levied against any parcel used for private residential purposes is specified in the Rate and Method. Under no circumstances shall the special tax for Improvement Area No. 9 levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within Improvement Area No. 9 by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. For purposes of this paragraph, a parcel shall be considered "used for private residential purposes" not later than the date on which an occupancy permit for private residential use is issued.

Section 5. The City Council hereby fixes Tuesday, March 27, 2018, at 4:00 p.m., or as soon thereafter as the City Council may reach the matter, at the City Council Chambers, One Civic Center Plaza, Irvine, California, as the time and place when and where the City Council will conduct a public hearing on the designation of Improvement Area No. 9.

Section 6. The Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of Improvement Area No. 9. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53322 of the Act.

Section 7. The levy of said proposed special tax for Improvement Area No. 9 shall be subject to the approval of the qualified electors of Improvement Area No. 9 at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in Improvement Area No. 9, with each person who is the owner of land at the close of said hearing having one vote for each acre or portion of an acre of land that he or she owns in Improvement Area No. 9 not exempt from such special tax.

Section 8. Pursuant to Section 53314.9 of the Act, the City proposes to repay the Developer solely from the proceeds of bonds issued by the Community Facilities District and the levy of special taxes within each improvement area (except from Zone 2 of Improvement Area No. 3) as follows: (1) funds advanced by the Developer to pay City costs in forming, amending, or taking any other actions with respect to the Community Facilities District, and (2) repayment to Developer for work performed, costs incurred, and Facilities acquired pursuant to (i) the Amended and Restated Development Agreement, dated December 27, 2010, by and among the City, the Developer, and the Irvine Redevelopment Agency, as it may be further amended, (ii) the Amended and Restated Master Implementation Agreement, dated December 27, 2010, by and between the City and the Developer, as it may be further amended, and (iii) the Acquisition Agreement, dated March 26, 2013, by and between the Developer and the City, as it may be further amended.

Section 9. The City Council hereby reserves the right and authority, subject to conditions to be specified in the issuance document for the bonds, to allow any interested owner of property within Improvement Area No. 9 to tender to the Community Facilities District in full payment or partial payment of any installment of special taxes or the

interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond secured thereby, the bond to be taken at par and credit to be given for the accrued interest thereon computed to the date of tender.

Section 10. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

Section 11. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 13th day of February, 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY McLAUGHLIN, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, held on the 13th day of February, 2018.

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

EXHIBIT A AUTHORIZED FACILITIES AND SERVICES

It is intended that Improvement Area No. 9 will be eligible to finance all or any portion of the facilities described in Section 53313.5 of the Act (collectively, the "Facilities"), including, but not limited to, the costs of the following on-site and off-site facilities:

1. Street, road, and parkway improvements, including, but not limited to, right of way acquisition, grading, paving, curb and gutter, median, sidewalks, access ramps, trails, removal and undergrounding of utilities, signing, striping, grinding, traffic control, and seal.
2. Traffic signals.
3. Storm drain improvements, including, but not limited to, mainlines, laterals, catch basins, junction structures, manholes, and local depressions.
4. Sewer improvements, including, but not limited to, laterals, monitoring manholes, manholes, pavement, and striping.
5. Domestic and recycled water facilities, including, but not limited to, water mains, stubs, valves, air vac, blow off, fittings, fire hydrant assembly, thrust blocks, cap, and striping.
6. Water improvements and water features.
7. Parks, park facilities, and parkways.
8. Dry utilities, to be owned by public utilities, including, but not limited to, telephone, electric, gas, relocation of lines, undergrounding, trenching, shading, conduit risers, pullboxes, vaults, and hand holes.
9. Landscaping, amenities, irrigation systems, and plantings.
10. Bridge, thoroughfare, and railway improvements, including, but not limited to, rails, grading, abutments, access ramps, lighting, drainage, utility crossings, sidewalks, trails and right of way acquisition.
11. Water quality treatment systems.
12. Wildlife corridors, including, but not limited to, mass excavations, demolition, and fire service mains and appurtenances.
13. Open space improvements.
14. Runway demolition.
15. Property acquisition.

The Facilities shall include the costs of design and engineering, surveys or reports, the cost of traffic-related environmental mitigation and any required landscaping and irrigation, soils testing, permits, plan check and inspection fees, insurance, construction management, and any other costs or appurtenances related to any of the foregoing, as set forth in the Acquisition Agreement, dated March 26, 2013, by and between the Developer and the City, on behalf of itself and the Community Facilities District, which Acquisition Agreement is consistent, as to the categories of costs, facilities and services to be acquired, with (i) the Amended and Restated Development Agreement, dated December 27, 2010, by and among the City of Irvine, the Developer, and the Irvine Redevelopment Agency, as it may be further amended, and (ii) the Amended and Restated Master Implementation Agreement, dated December 27, 2010, by and between the City and the Developer, as it

EXHIBIT A

may be further amended.

OTHER

Improvement Area No. 9 may, among other things, also finance any of the following:

1. Bond related expenses, including underwriter's discount, appraisal and absorption study costs, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, and all other incidental expenses.
2. Administrative fees of the City and the bond trustee or fiscal agent related to Improvement Area No. 9 and any bonds, including but not in any way limited to the cost of a consultant to assist the City with the inspection and coordination of construction of the Facilities.
3. Reimbursement of costs related to the costs of formation of the Community Facilities District and the designation of Improvement Area No. 9 advanced by the City, any landowner in the Community Facilities District, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, any landowner in the Community Facilities District or any party related to any of the foregoing, for facilities, fees, or other purposes or costs of the Community Facilities District or Improvement Area No. 9.

SERVICES

It is intended that Improvement Area No. 9 will be eligible to finance all or any portion of the services described in Section 53313 of the Act (collectively, the "Services").

EXHIBIT B
PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR IMPROVEMENT AREA NO. 9

**RATE AND METHOD OF APPORTIONMENT FOR CITY
OF IRVINE COMMUNITY FACILITIES DISTRICT NO.
2013-3 (GREAT PARK)
IMPROVEMENT AREA NO. 9**

A Special Tax shall be levied on all Assessor's Parcels of Taxable Property in Improvement Area No. 9 of City of Irvine Community Facilities District No. 2013-3 (Great Park) ("CFD No. 2013-3 (IA No. 9)") and collected each Fiscal Year commencing in Fiscal Year 2017-2018, in an amount determined through the application of this Rate and Method of Apportionment as described below. All of the real property in CFD No. 2013-3 (IA No. 9), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area in acres of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area in acres shown on the applicable final map, parcel map, condominium plan, or other map or plan recorded with the County. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2013-3 (IA No. 9), including but not limited to: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2013-3 (IA No. 9) or any designee thereof of complying with arbitrage rebate requirements with respect to the Special Tax and CFD No. 2013-3 (IA No. 9) Bonds; the costs to the City, CFD No. 2013-3 (IA No. 9) or any designee thereof of complying with disclosure requirements of the City, CFD No. 2013-3 (IA No. 9) or obligated persons associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2013-3 (IA No. 9) or any designee thereof related to an appeal of the Special Tax; the costs of the City, CFD No. 2013-3 (IA No. 9) or any designee thereof related to the recalculation of the Special Tax rates in accordance with Section C.1 below and the calculation of the One-Time Special Tax in accordance with Section D.3 below; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses related to CFD No. 2013-3 (IA No. 9) Bonds. Administrative Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 2013-3 (IA No. 9) for any other administrative purposes of CFD No. 2013-3 (IA No. 9), including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Affordable Housing" means residential Dwelling Units, located on one or more Assessor's

Parcels of Residential Property, that are subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City that restrict rents or prices chargeable to “lower income households” (as defined in California Health and Safety Code Section 50079.5 or any successor code section).

“Amended and Restated Development Agreement” means the Amended and Restated Development Agreement, dated December 27, 2010, by and among the City, the Developer, and the Irvine Redevelopment Agency, as it may be further amended.

“Annual Special Tax” or **“Annual Special Taxes”** means the special taxes that may be levied annually on one or more Assessor’s Parcel of Taxable Property within CFD No. 2013-3 (IA No. 9) pursuant to Section E of this Rate and Method of Apportionment at the rates set forth in Section C of this Rate and Method of Apportionment.

“Annual Special Tax Requirement” means the sum of the Developed Property Annual Special Tax Requirement, the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement, and the Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement.

“Assessor's Parcel” means a lot or parcel to which an assessor’s parcel number is assigned as determined from an Assessor’s Parcel Map or the applicable assessment roll.

“Assessor's Parcel Map” means an official map of the County Assessor of the County designating parcels by assessor’s parcel number.

“Attached Residential Property” means Assessor’s Parcels of Developed Property for which building permits have been issued for a Dwelling Unit that shares, or will share, an inside wall with another Dwelling Unit.

“Authorized Facilities” means the facilities authorized to be financed by CFD No. 2013-3.

“Authorized Services” means the services authorized to be financed by CFD No. 2013-3.

“Auto Center Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for selling automobiles, or for any other uses that are consistent with auto center land use designations as determined by the City.

“Bond Costs” means for all Subordinate CFD No. 2013-3 (IA No. 9) Bonds, all debt service payments, administrative expenses, and amounts required to establish or replenish any bond reserve funds, and any other use of Special Taxes for such bond issues required by the indenture, fiscal agent agreement, or other agreement governing the terms of such bond issue.

“Bond Index” means the national Bond Buyer Revenue Bond Index, commonly referenced as the 25 Bond Revenue Index. In the event the Bond Buyer Revenue Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 years with an average rating equivalent to Moody’s A1 and S&P’s A-plus, as reasonably determined by the CFD Administrator.

“Bond Yield” means the weighted average yield of Outstanding Bonds. For purposes of this calculation, the weighted average yield on Outstanding Bonds shall be the weighted average of

the yield calculated for each series of Outstanding Bonds at the time such Outstanding Bonds were issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the tax certificate executed in connection with the issuance of such Outstanding Bonds.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Annual Special Tax Requirement and levying and collecting the Special Taxes.

“CFD No. 2013-3” means City of Irvine Community Facilities District No. 2013-3 (Great Park).

“CFD No. 2013-3 (IA No. 9)” means Improvement Area No. 9 of CFD No. 2013-3 as identified on the Boundary Map for CFD No. 2013-3 (IA No. 9) and further set forth in the Resolution of Formation.

“CFD No. 2013-3 (IA No. 9) Bonds” means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2013-3 (IA No. 9) and secured by the Special Taxes levied on property within the boundaries of CFD No. 2013-3 (IA No. 9) under the Act.

“Church Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for a church sanctuary, synagogue or other such place of worship, which may or may not include associated buildings which are to be used for religious educational purposes, and which are exempt from taxation pursuant to Section 214 of the Revenue and Taxation Code of the State of California.

“City” means the City of Irvine.

“Commercial Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for the sale of general merchandise, hard goods, personal services, and other items directly to consumers, or other uses that are consistent with commercial land use designations, as determined by the City.

“Council” means the City Council of the City which serves at the legislative body of CFD No. 2013-3.

“County” means the County of Orange.

“Current CFD Buildout Plan” means the most recent land use plan identifying the projected buildout of all of CFD No. 2013-3, as proposed by the Developer and approved by the City, for purposes of projecting Annual Special Tax revenues for the entire CFD No. 2013-3 at buildout.

“Debt Service Coverage” means the debt service coverage percentage identified in the Indenture for Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds.

“Detached Residential Property” means Assessor’s Parcels of Developed Property for which building permits have been issued for a Dwelling Unit that is or is expected to be surrounded by freestanding walls and that does not share an inside wall with any other Dwelling Unit.

“Developed Property” means, for each Fiscal Year, all Taxable Property, exclusive of Taxable

Public Property and Taxable Property Owner Association Property, for which a building permit for construction was issued after January 1, 2017 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Annual Special Taxes are being levied.

“Developed Property Annual Special Tax Requirement” means, for any Fiscal Year, the Maximum Annual Special Tax on Developed Property.

“Developer” means Heritage Fields El Toro LLC, a Delaware limited liability company, and its successors and assigns. The term “successors” does not refer to the successors to all or any portion of the property within CFD No. 2013-3 (IA No. 9) unless the new property owner receives an assignment of the “Master Developer” rights and obligations under the Amended and Restated Development Agreement.

“Discount Rate” means (i) prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the Bond Index, and (ii) subsequent to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the Bond Yield.

“Dwelling Unit” means one residential unit of any configuration, including, but not limited to, a single family attached or detached dwelling, condominium, apartment, mobile home, or otherwise.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property and Taxable Public Property, located in a Final Subdivision as of January 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied, but no earlier than January 1, 2017.

“Final Mapped Property/Undeveloped Property Annual Special Tax Requirement” means that amount of Annual Special Taxes required, if any, in any Fiscal Year to (i) pay debt service on Outstanding Bonds payable in the calendar year commencing in such Fiscal Year, (ii) pay any amounts required to establish or replenish any reserve funds for all CFD No. 2013-3 (IA No. 9) Bonds, (iii) pay for Administrative Expenses, (iv) pay for reasonably anticipated Annual Special Tax delinquencies based on the delinquency rate for the Annual Special Tax levied in the previous Fiscal Year, and (v) pay the Guaranteed Amount, less (vi) an amount equal to the Developed Property Annual Special Tax Requirement, less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator, so long as the amount required is not less than zero.

“Final Subdivision” means a subdivision of property which occurred prior to January 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied, by recordation of a final map, parcel map, or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.), or recordation of a condominium plan pursuant to California Civil Code Section 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision. Notwithstanding the above, a condominium plan for which one or more building permits have been issued but no individual lots have been created for such building permits, shall be considered a Final Subdivision, and the portion of the condominium plan for which building permits have been issued shall be defined as Developed Property.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Floor Area Ratio” means for Non-Residential – Commercial Property – 0.317; for Non-

Residential – Industrial Property – 0.325; for Non-Residential – Institutional Property – 0.361; for Non-Residential – Office Property – 0.326; for Non-Residential – Auto Center – 0.084; and for Non-Residential – Other Non-Residential Property – 0.308.

“Guaranteed Amount” means, for any Fiscal Year, the lesser of (i) the Pro Rata Share for CFD No. 2013-3 (IA No. 9) of the annual amounts set forth in Exhibit B, or (ii) the sum of (a) the Pro Rata Share for CFD No. 2013-3 (IA No. 9) of the amount needed to finance Authorized Services described in the definition of “Authorized Services” in the Amended and Restated Development Agreement in such Fiscal Year as determined by the City, and (b) the Bond Costs associated with any Subordinate CFD No. 2013-3 (IA No. 9) Bonds issued on behalf of CFD No. 2013-3 (IA No. 9). The Guaranteed Amount collected in CFD No. 2013-3 (IA No. 9) may be used to finance Authorized Services described in the definition of “Authorized Services” in the Amended and Restated Development Agreement and to pay Bond Costs associated with Subordinate CFD No. 2013-3 (IA No. 9) Bonds issued on behalf of CFD No. 2013-3 (IA No. 9).

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which CFD No. 2013-3 (IA No. 9) Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Industrial Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for manufacturing, production, research and development, storage and/or processing of goods, or for any other uses that are consistent with industrial land use designations as determined by the City.

“Institutional Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for education, including libraries and museums, or for any other uses that are consistent with institutional land use designations, as determined by the City.

“Intermediate Maximum Annual Special Tax” means the intermediate Maximum Annual Special Tax, determined in accordance with Section C herein, that can be levied in any Fiscal Year on any Assessor’s Parcel of Final Mapped Property or Undeveloped Property.

“Land Use Class” means any of the classes listed in Table 1, Table 2 or Exhibit A, herein.

“Lowest Price Point” is defined in Section C.1. herein.

“Maximum Annual Special Tax” means the maximum Annual Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Moderate Affordable Senior Units” means Dwelling Units that are designed for, and restricted to, persons or couples of whom one member is age 55 or older that is located on one or more Assessor’s Parcels of Residential Property that are subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City providing affordable housing for households with incomes below 120% of the County median income (but not less than 80% of the County median income).

“Moderate Affordable Units” means Dwelling Units, other than Moderate Affordable Senior Units, that are located on one or more Assessor’s Parcels of Residential Property that are subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City providing affordable housing for households with incomes below 120% of the County median income (but not less than 80% of the County median income).

“Non-Residential Floor Area” means the total building square footage of the non-residential building(s) located on an Assessor’s Parcel, measured from outside wall to outside wall, not including space devoted to stairwells, public restrooms, lighted courts, vehicle parking and areas incident thereto, and mechanical equipment incidental to the operation of such building. The determination of Non-Residential Floor Area shall be made by reference to the building permit(s) issued for such Assessor’s Parcel and/or to the appropriate records kept by the City, as reasonably determined by the CFD Administrator.

“Non-Residential Property” means any and each Assessor’s Parcel of Developed Property for which a building permit permitting the construction of one or more non-residential units or facilities has been issued by the City, or other governmental agency, including, but not limited to, Church Property.

“Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds” means any issue(s) of CFD No. 2013-3 (IA No. 9) Bonds that are not Subordinate CFD No. 2013-3 (IA No. 9) Bonds.

“Office Property” means all Assessor’s Parcels of Developed Property for which a building permit(s) permitting the construction of one or more non-residential facilities has been issued by the City which are, or are expected by the City to be, primarily used for: professional/medical offices, or for any other uses that are consistent with office land use designations, as determined by the City.

“One Time Special Tax” means the one-time Special Tax to be levied pursuant to Section D of this Rate and Method of Apportionment.

“Other Non-Residential Property” means all Non-Residential Property, excluding Auto Center Property, Commercial Property, Industrial Property, Church Property, Institutional Property, and Office Property.

“Outstanding Bonds” means all Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds which are outstanding under an Indenture.

“Overlapping Liens” means, in connection with the recalculation of the Value Limitation pursuant to Section C.1. and within a Land Use Class of Residential Property, estimated *ad valorem* property taxes and all direct and overlapping assessments, taxes, special taxes, and charges on the secured tax-roll of the County for a parcel/unit of Taxable Property assuming that the value of that parcel/unit is equal to the Lowest Price Point for that Land Use Class as set forth in the consultant’s report described in Section C.1 on the date indicated in the consultant’s report, excluding however, the Annual Special Taxes that would be levied on such parcel/unit of the Lowest Price Point pursuant to this Rate and Method of Apportionment.

“Prepayable Portion of the Special Tax” shall have the meaning set forth in Section I of this Rate and Method of Apportionment.

“Pro Rata Share” means the ratio calculated by dividing the anticipated Maximum Annual Special Tax to be levied at build out of CFD No. 2013-3 (IA No. 9) by the anticipated Maximum Annual Special Tax to be levied at build out for all improvement areas within CFD No. 2013-3 based on the Current CFD Buildout Plan, excluding the Maximum Annual Special Taxes anticipated to be paid by Zone 2 in IA No. 3. So long as there are no CFD No. 2013-3 (IA No. 9) Bonds outstanding, the City shall recalculate the Pro Rata Share to reflect current development assumptions in connection with any change proceedings conducted in CFD No. 2013-3 and in connection with the amendment of Table 1 and/or Table 2 of the rate and method of apportionment for any improvement area of CFD No. 2013-3. Notwithstanding the foregoing, the City shall not recalculate the Pro Rata Share to incorporate any prepayments of the Prepayable Portion of the Special Tax.

“Property Owner Association Property” means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2013-3 (IA No. 9) for which the owner of record, as determined from the County Assessor’s secured tax roll for the Fiscal Year in which the Annual Special Tax is being levied, is a property owner’s association, including any master or sub-association, (ii) any property located in a Final Subdivision and which, as determined from such Final Subdivision, is or will be open space, a common area recreation facility, or a private street, or (iii) any property which, as of the May 1 preceding the Fiscal Year for which the Special Tax is being levied, has been conveyed to a property owner’s association, including any master or sub-association, provided such conveyance is submitted to the CFD Administrator by May 1 preceding the Fiscal Year for which the Annual Special Tax is being levied.

“Proportionately” means, for Developed Property, that the ratio of the actual Annual Special Tax levy to the Maximum Annual Special Tax is equal for all Assessor’s Parcels of Developed Property. For Final Mapped Property, “Proportionately” means that the ratio of the actual Annual Special Tax levy per acre to the Maximum Annual Special Tax per acre is equal for all Assessor’s Parcels of Final Mapped Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Annual Special Tax levy per acre to the Maximum Annual Special Tax per acre is equal for all Assessor’s Parcels of Undeveloped Property. The term “Proportionately” may similarly be applied to other categories of Taxable Property as listed in Section E below. Notwithstanding the above, a disproportionate levy shall be permissible for any Assessor’s Parcels in CFD No. 2013-3 (IA No. 9) to cover any delinquencies by a property owner.

“Public Property” means, for each Fiscal Year, all property within the boundaries of CFD No. 2013-3 (IA No. 9) that (i) is owned by, irrevocably offered or dedicated to, or leased to, the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased or with respect to which a possessory interest has been granted to a non-exempt person or entity by any of the foregoing entities, then pursuant to Section 53340.1 of the Act, such leasehold or possessory interest shall be taxed and classified according to its use, or (ii) is encumbered by a public easement making impractical its use for any purpose other than that set forth in the easement.

“Rate and Method of Apportionment” means this Rate and Method of Apportionment for CFD No. 2013-3 (IA No. 9).

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area for an Assessor’s Parcel shall

be made by reference to the building permit(s) issued for such Assessor's Parcel.

“Residential Property” means any and each Assessor's Parcel of Developed Property for which a building permit permitting the construction thereon of one or more residential Dwelling Units has been issued by the City, or other governmental agency, but specifically excluding Church Property.

“Resolution of Formation” means the resolution designating CFD No. 2013-3 (IA No. 9).

“Special Tax” or **“Special Taxes”** means, as the context requires either or both of the Annual Special Taxes and the One-Time Special Taxes that may be levied annually or only one-time, respectively, on one or more Assessor's Parcels of Taxable Property within CFD No. 2013-3 (IA No. 9) pursuant to this Rate and Method of Apportionment.

“State” means the State of California.

“Subordinate CFD No. 2013-3 (IA No. 9) Bonds” means any CFD No. 2013-3 (IA No. 9) Bonds that are subordinate to any current or future CFD No. 2013-3 (IA No. 9) Bonds and that meet the requirements set forth in the Amended and Restated Development Agreement.

“Taxable Property” means, each Fiscal Year, all of the Assessor's Parcels within the boundaries of CFD No. 2013-3 (IA No. 9) which are not exempt from the Special Tax pursuant to applicable law or Section F below, as of July 1st of that Fiscal Year.

“Taxable Property Owner Association Property” means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section F below.

“Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement” means, so long as the amount required is not less than zero, that amount of Annual Special Taxes required, if any, in any Fiscal Year to (i) pay debt service on the Outstanding Bonds payable in the calendar year commencing in such Fiscal Year, (ii) pay any amounts required to establish or replenish any reserve funds for all CFD No. 2013-3 (IA No. 9) Bonds, (iii) pay for Administrative Expenses, and (iv) pay for reasonably anticipated Annual Special Tax delinquencies based on the delinquency rate for the Annual Special Tax levied in the previous Fiscal Year, less (v) an amount equal to the Developed Property Annual Special Tax Requirement, less (vi) the amount of the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement levied on Final Mapped Property and Undeveloped Property in such Fiscal Year, less (vii) a credit for funds available to reduce the Annual Special Tax levy, as determined by the CFD Administrator.

“Taxable Public Property” means all Assessor's Parcels of Public Property that are not exempt pursuant to Section F below.

“Total Floor Area” means the sum of the Residential Floor Area plus the Non-Residential Floor Area located on an Assessor's Parcel.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Property Owner Association Property, or Taxable Public Property.

“Value Limitation” as recalculated separately for each Land Use Class at the time(s) set forth in Section C.1 means (i) the Annual Special Tax rate for a Land Use Class of Residential Property calculated as the difference between (A) the Lowest Price Point within such Land Use Class as determined by the third-party consultant in a report pursuant to Section C.1 herein multiplied by two percent (2%) and (B) the Overlapping Liens plus a sufficient amount to pay the assumed Irvine Ranch Water District assessments (to the extent not included within Overlapping Liens and subject to the limitations set forth in the Amended and Restated Development Agreement) for a residential unit assumed to have a value equal to the same Lowest Price Point used in subparagraph (A) above, as calculated by the CFD Administrator; (ii) that the amount of the Annual Special Tax rates for each Non-Residential Property Land Use Class identified in Table 1 and expressed as an amount per square foot of Non-Residential Floor Area, shall not exceed the product of (a) one and one hundred thirty-nine thousandths percent (1.139%) and (b) the per square foot value of land (as determined by the third-party appraisal described in Section C.1) located within CFD No. 2013-3 (IA No. 9) for each Non-Residential Property Land Use Class, divided by the Floor Area Ratio for the applicable Land Use Class; and (iii) that the amount of the Annual Special Tax rates for each Non-Residential Property Land Use Class set forth in Table 1 herein and expressed as an amount per Acre, shall not exceed the product of (a) the amount per square foot of Non-Residential Floor Area calculated in (ii) above for each Non-Residential Property Land Use Class, (b) the Floor Area Ratio for the applicable Land Use Class, and (c) 43,560.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within CFD No. 2013-3 (IA No. 9) shall be classified as Developed Property, Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, or Taxable Public Property, and shall be subject to Annual Special Taxes in accordance with this Rate and Method of Apportionment determined pursuant to Sections C and E herein.

C. MAXIMUM ANNUAL SPECIAL TAX RATE

1. Annual Special Tax

Residential Property shall be assigned to Land Use Classes 1 through 30 as listed in Table 1 herein based on the description and the Residential Floor Area for each Dwelling Unit as designated in Table 1. Non-Residential Property shall be assigned to Land Use Classes 31 through 36. Prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the Maximum Annual Special Tax rates for Residential Property and the Maximum Annual Special Tax rates for Non-Residential Property (set forth in Table 1) shall be reduced in accordance with, and subject to, the conditions set forth in this Section C.1, without the need for any proceedings to make changes permitted under the Act.

Upon the earlier of (i) one hundred twenty (120) calendar days before the projected execution date of a bond purchase agreement for the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds as determined by the City, or (ii) the written request of the Developer submitted to the City within two hundred and seventy (270) calendar days before the projected date of issuance of the first building permit permitting the construction of a non-model residential building for a Land Use Class within CFD No. 2013-3 (IA No. 9), a third-party consultant selected by the City shall be engaged (within thirty days after the applicable trigger date) to determine (A) the expected base (i.e., without any optional upgrades included) sales prices of the

residential units within each Land Use Class based upon the anticipated base sales prices to end users at the time of calculation and (B) from those expected base sales prices, the lowest base sales price within such Land Use Class (hereafter referred to as the “Lowest Price Point”). If the City determines that the Lowest Price Point for a Land Use Class is equal to or greater than the price point that was used to establish the Maximum Annual Special Tax rates for such Land Use Class shown in Table 1, then there shall be no recalculation of the Maximum Annual Special Tax rates for such Land Use Class. If, however, the City determines that the Lowest Price Point for a Land Use Class is less than the price point that was used to establish the Maximum Annual Special Tax rates for such Land Use Class shown in Table 1, then the Maximum Annual Special Tax rate for Residential Property in such Land Use Class (as reflected in Table 1) shall be reduced to the amount necessary to comply with its recalculated Value Limitation. The reduction shall occur within thirty (30) calendar days of the completion of the third-party consultant's report.

Upon the earlier of (i) one hundred and twenty (120) calendar days before the projected execution date of a bond purchase agreement for the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds as determined by the City, or (ii) the written request of the Developer submitted to the City within two hundred and seventy (270) calendar days before the projected date of issuance of the first building permit permitting the construction of a non-residential building for a Land Use Class within CFD No. 2013-3 (IA No. 9), a third-party appraiser selected by the City shall be engaged (within thirty days after the applicable trigger date) to determine the value of the Non-Residential Property within each Land Use Class at the time of calculation. Based upon the report of the appraiser, if the City so determines that the per square foot and per Acre Maximum Annual Special Tax rates, as reflected in Table 1 herein, exceed the recalculated Value Limitation for Non-Residential Property for a Land Use Class, then the per square foot and per Acre Maximum Annual Special Tax rates for such Non-Residential Property Land Use Class (as reflected in Table 1) that exceeds its recalculated Value Limitation shall be reduced to the amount necessary to comply with its recalculated Value Limitation, provided, however, that the Maximum Annual Special Tax rates for Non-Residential Property do not fall below \$0.416 per square foot of Non-Residential Floor Area. The reduction shall occur within thirty (30) calendar days of the completion of the third-party appraiser's report.

Notwithstanding the above, if, and to the extent, the recalculation of the Maximum Annual Special Tax rates for Residential Property and per square foot and per Acre Maximum Annual Special Tax rates for Non-Residential Property are triggered by the projected issuance of a building permit, the recalculation(s) shall only be completed for those Land Use Classes for which a building permit is expected to be issued within 270 days. If, and to the extent, the recalculation of the Maximum Annual Special Tax rates for Residential Property and per square foot and per Acre Maximum Annual Special Tax rates for Non-Residential Property are triggered by the projected execution of a bond purchase agreement within 120 days as determined by the City, the recalculation(s) shall be completed for all Land Use Classes within CFD No. 2013-3 (IA No. 9) that have not previously experienced a reduction in their Maximum Annual Special Tax rates (for Residential Property) or their Maximum Annual Special Tax rates (for Non-Residential Property).

Each Maximum Annual Special Tax rate reduction for a Land Use Class pursuant to this Section C.1, shall be calculated separately, as reasonably determined by the CFD Administrator, without regard to Maximum Annual Special Tax rate reductions that may be applicable to another Land Use Class, and it shall not be required that a reduction in the Maximum Annual Special Tax rate for one Land Use Class be proportionate to reductions in Maximum Annual Special Tax rates for any other Land Use Class. If the Maximum Annual Special Tax rates for a Land Use Class do

not require reduction as set forth in this Section C.1, then those Maximum Annual Special Tax rates set forth in Table 1 shall not be reduced irrespective of any reductions made to other Maximum Annual Special Tax rates. The reductions required pursuant to this Section C.1 shall be reflected in an amended notice of special tax lien which the City shall cause to be recorded by executing a certificate in substantially the form attached herein as Exhibit A.

The Value Limitation does not limit the Maximum Annual Special Tax rates set forth in Table 1 that are levied against Taxable Property unless a recalculation of the Maximum Annual Special Tax rates is required by this Section C.1.

(a) Developed Property

(i) Maximum Annual Special Tax

The Maximum Annual Special Tax that may be levied and escalated as explained further in Section C.1.(a)(ii) below in any Fiscal Year for each Assessor's Parcel classified as Developed Property is shown below in Table 1.

TABLE 1

**Maximum Annual Special Tax for Developed Property
Improvement Area No. 9 of CFD No. 2013-3
Fiscal Year 2017-2018**

Land Use Class	Description	Maximum Annual Special Tax
1	DETACHED RESIDENTIAL PROPERTY (=> 5,700 SF)	\$20,375 Per Dwelling Unit
2	DETACHED RESIDENTIAL PROPERTY (5,450 SF - 5,699 SF)	\$19,554 Per Dwelling Unit
3	DETACHED RESIDENTIAL PROPERTY (5,200 SF - 5,449 SF)	\$18,732 Per Dwelling Unit
4	DETACHED RESIDENTIAL PROPERTY (4,950 SF - 5,199 SF)	\$17,911 Per Dwelling Unit
5	DETACHED RESIDENTIAL PROPERTY (4,700 SF - 4,949 SF)	\$17,089 Per Dwelling Unit
6	DETACHED RESIDENTIAL PROPERTY (4,450 SF - 4,699 SF)	\$16,266 Per Dwelling Unit
7	DETACHED RESIDENTIAL PROPERTY (4,200 SF - 4,449 SF)	\$15,445 Per Dwelling Unit
8	DETACHED RESIDENTIAL PROPERTY (3,950 SF - 4,199 SF)	\$14,633 Per Dwelling Unit
9	DETACHED RESIDENTIAL PROPERTY (3,700 SF - 3,949 SF)	\$14,160 Per Dwelling Unit
10	DETACHED RESIDENTIAL PROPERTY (3,450 SF - 3,699 SF)	\$13,772 Per Dwelling Unit
11	DETACHED RESIDENTIAL PROPERTY (3,200 SF - 3,449 SF)	\$12,333 Per Dwelling Unit
12	DETACHED RESIDENTIAL PROPERTY (2,950 SF - 3,199 SF)	\$11,435 Per Dwelling Unit
13	DETACHED RESIDENTIAL PROPERTY (2,700 SF - 2,949 SF)	\$10,676 Per Dwelling Unit
14	DETACHED RESIDENTIAL PROPERTY (2,450 SF - 2,699 SF)	\$9,733 Per Dwelling Unit

Land Use Class	Description	Maximum Annual Special Tax
15	DETACHED RESIDENTIAL PROPERTY (2,200 SF - 2,449 SF)	\$8,871 Per Dwelling Unit
16	DETACHED RESIDENTIAL PROPERTY (1,950 SF - 2,199 SF)	\$8,214 Per Dwelling Unit
17	DETACHED RESIDENTIAL PROPERTY (1,700 SF - 1,949 SF)	\$7,326 Per Dwelling Unit
18	DETACHED RESIDENTIAL PROPERTY (< 1,700 SF)	\$7,231 Per Dwelling Unit
19	ATTACHED RESIDENTIAL PROPERTY (>= 2,600 SF)	\$8,350 Per Dwelling Unit
20	ATTACHED RESIDENTIAL PROPERTY (2,400 SF – 2,599 SF)	\$7,842 Per Dwelling Unit
21	ATTACHED RESIDENTIAL PROPERTY (2,200 SF – 2,399 SF)	\$7,332 Per Dwelling Unit
22	ATTACHED RESIDENTIAL PROPERTY (2,000 SF – 2,199 SF)	\$6,823 Per Dwelling Unit
23	ATTACHED RESIDENTIAL PROPERTY (1,800 SF – 1,999 SF)	\$6,313 Per Dwelling Unit
24	ATTACHED RESIDENTIAL PROPERTY (1,600 SF – 1,799 SF)	\$5,931 Per Dwelling Unit
25	ATTACHED RESIDENTIAL PROPERTY (1,400 SF – 1,599 SF)	\$5,473 Per Dwelling Unit
26	ATTACHED RESIDENTIAL PROPERTY (1,200 SF – 1,399 SF)	\$4,786 Per Dwelling Unit
27	ATTACHED RESIDENTIAL PROPERTY (1,000 SF – 1,199 SF)	\$4,276 Per Dwelling Unit
28	ATTACHED RESIDENTIAL PROPERTY (800 SF – 999 SF)	\$3,767 Per Dwelling Unit
29	ATTACHED RESIDENTIAL PROPERTY (< 800 SF)	\$3,640 Per Dwelling Unit
30	AFFORDABLE HOUSING, MODERATE AFFORDABLE UNITS, AND MODERATE AFFORDABLE SENIOR UNITS	\$0 Per Dwelling Unit
31	NON-RESIDENTIAL - COMMERCIAL PROPERTY	\$1.62 per square foot of Non-Residential Floor Area or \$22,421 per Acre, when applied, whichever is greater
32	NON-RESIDENTIAL– INDUSTRIAL PROPERTY	\$1.62 per square foot of Non-Residential Floor Area or \$22,987 per Acre, when applied, whichever is greater
33	NON-RESIDENTIAL– INSTITUTIONAL PROPERTY	\$1.62 per square foot of Non-Residential Floor Area or \$25,533 per Acre, when applied, whichever is greater
34	NON-RESIDENTIAL – OFFICE PROPERTY	\$1.62 per square foot of Non-Residential Floor Area or \$23,057 per Acre, when applied, whichever is greater
35	NON-RESIDENTIAL – AUTO CENTER	\$5.43 per square foot of Non-Residential Floor Area or \$19,882 per Acre, when applied, whichever is greater
36	OTHER NON-RESIDENTIAL PROPERTY	\$1.62 per square foot of Non-Residential Floor Area or \$21,784 per Acre, when applied, whichever is greater

(ii) Increase in the Maximum Annual Special Tax

The Fiscal Year 2017-2018 Maximum Annual Special Tax, identified in Table 1 above, as such Table may be amended and restated in full pursuant to this Rate and Method of Apportionment, shall increase thereafter (i) commencing on July 1, 2018 and on July 1 of each Fiscal Year thereafter through the Fiscal Year in which the fortieth anniversary of the date on which the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds were issued occurs, by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year; and (ii) commencing in the Fiscal Year following the fortieth anniversary of the date on which the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds were issued, by an amount equal to three percent (3%) of the Maximum Annual Special Tax as determined following the partial termination of the Special Tax as set forth in Section J, and on July 1 of each Fiscal Year thereafter by an amount equal to three percent (3%) of the amount in effect for the previous Fiscal Year.

(iii) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Annual Special Taxes levied on an Assessor's Parcel shall be the sum of the Maximum Annual Special Taxes for all Land Use Classes located on that Assessor's Parcel. If an Assessor's Parcel of Developed Property includes both Residential Property and Non-Residential Property, the Acreage to be assigned to the Non-Residential Property for purposes of establishing the Annual Special Tax shall equal the total Acreage of the Assessor's Parcel multiplied by the Non-Residential Floor Area on the Assessor's Parcel, the product of which shall be divided by Total Floor Area on the Assessor's Parcel. Furthermore, for a condominium plan, if only a portion of its building permits have been issued, the remaining portion of the condominium plan shall be considered Final Mapped Property. The CFD Administrator's allocation to each type of property shall be final.

(b) Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property

(i) Intermediate Maximum Annual Special Tax

The Fiscal Year 2017-2018 Intermediate Maximum Annual Special Tax for each Assessor's Parcel of Final Mapped Property and Undeveloped Property shall be \$77,389 per Acre, and shall increase thereafter, commencing on July 1, 2018 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Intermediate Maximum Annual Special Tax for the previous Fiscal Year.

(ii) Maximum Annual Special Tax

The Fiscal Year 2017-2018 Maximum Annual Special Tax for each Assessor's Parcel of Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property shall be \$121,412 per Acre, and shall increase thereafter, commencing on July 1, 2018 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Annual Special Tax for the previous Fiscal Year.

D. ONE-TIME SPECIAL TAX

All of the requirements of this Section D, which describes the One-Time Special Tax that may result from a change in development as determined pursuant to this Section D, shall only apply after the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, with the exception of disclosure-related requirements discussed under Section D.6, which apply both before and after the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds. The provisions of this Section D shall not be impacted by the issuance of any Subordinate CFD No. 2013-3 (IA No. 9) Bonds.

The following additional definitions apply to this Section D:

“Authorized Bonded Indebtedness” means \$75,000,000.

“Bond Issuance Development Phase Table” means a table, to be included herein as Table 2, which is prepared by the CFD Administrator after the submittal of a Bond Issuance Development Plan. Within the Bond Issuance Development Phase Table, each existing or prospective building permit for Residential Property shall be assigned to Land Use Classes 1 through 30 for each Development Phase, and each existing or prospective building permit of Non-Residential Property shall be assigned to Land Use Classes 31 through 36 for each Development Phase. If no Development Phases have been identified in the Bond Issuance Development Plan, such Dwelling Units and Non-Residential Property shall be listed by Land Use Classes for the entire CFD No. 2013-3 (IA No. 9).

“Bond Issuance Development Plan” means a development plan for CFD No. 2013-3 (IA No. 9) (i) submitted by the Developer immediately prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, and (ii) approved by the CFD Administrator, as updated for each subsequent series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds. The Bond Issuance Development Plan shall identify the number of Dwelling Units and the Land Use Class for each existing or anticipated Dwelling Unit in each Development Phase, and if applicable, identify the existing or anticipated Non-Residential Property Acreage and Non-Residential Floor Area, if available, by Land Use Class anticipated to be constructed within each Development Phase. If no Development Phases have been identified in the Development Plan, such Dwelling Units, Acreage and Non-Residential Floor Area shall be listed by Land Use Classes for the entire CFD No. 2013-3 (IA No. 9).

“City Building and Safety Division” means the building and safety division of the City's Community Development Department.

“Compliance Letter” means a letter from the CFD Administrator notifying the property owner that (i) no One-Time Special Tax is due for the anticipated Residential Property and/or Non-Residential Property listed in the Compliance Letter, or (ii) any One-Time Special Tax that was due for the Residential Property and/or Non-Residential Property listed in the Compliance Letter has been paid in full by the property owner. However, the terms of a Compliance Letter only apply (A) if the building permits actually issued for such Residential Property reflect numbers of Dwelling Units and Land Use Classes that are identical to those listed in the Compliance Letter, and (B) if the building permits actually issued for such Non-Residential Property reflect Land Use Classes, Non-Residential Floor Area and Acreage, that are identical to those listed in the

Compliance Letter.

“Development Phase” means a tract map, planning area, or geographic area representing an expected construction phase planned to be developed by one or more merchant builders at the time the Bond Issuance Development Plan is submitted by the Developer and approved by the CFD Administrator. A Development Plan shall designate the geographic area included within each Development Phase by Assessor's Parcels or tract and lot numbers.

“IA No. 9 Buildout” means the completion of all proposed development in IA No. 9, as proposed by the Developer and approved by the City.

“Maximum One-Time Special Tax” means the maximum One-Time Special Tax, determined in accordance with Section D, which can be levied on an Assessor's Parcel and collected by the One-Time Special Tax Payment Date.

“Non-Compliant Property” means an Assessor's Parcel of Pending Property that generates a need for a One-Time Special Tax as calculated under Section D.3.

“One-Time Special Tax Account” means the funds or accounts (regardless of their names) identified in the Indenture to hold all or a portion of the payments of the One-Time Special Tax received from property owners within CFD No. 2013-3 (IA No. 9).

“One-Time Special Tax Payment Date” means, for an Assessor's Parcel, the later of (i) 30 days after the date of the bill distributed by the CFD Administrator requesting the payment of a One-Time Special Tax, or (ii) 30 days after the issuance of a building permit.

“Pending Development” means Projected Residential Property and Projected Non-Residential Property for which (i) a Compliance Letter has been requested, (ii) building permits have recently been issued that were located on Assessor's Parcels that were not included in a previously-issued Compliance Letter, or (iii) building permits have recently been issued for Assessor's Parcels that were included in a previously-issued Compliance Letter that has been nullified pursuant to Section D.1., because the Projected Residential Property and Projected Non-Residential Property delineated in the actual building permits for such Assessor's Parcels are not consistent with the development listed in the previously-issued Compliance Letter.

“Projected Non-Residential Property” means anticipated Non-Residential Property for which the CFD Administrator has not yet determined whether or not a One-Time Special Tax shall be levied, or for which such determination has been nullified pursuant to Section D.1.

“Projected Residential Property” means anticipated Dwelling Units of Residential Property for which the CFD Administrator has not yet determined whether or not a One-Time Special Tax shall be levied, or for which such determination has been nullified pursuant to Section D.1.

“Total Assumed Annual Special Taxes” means the total estimated Annual Special Taxes that would be levied at IA No. 9 Buildout, assuming the construction of 516 Dwelling Units, and shall be calculated by dividing the Bond Authorization by twenty-one (21). This defined term shall only be used for purposes of calculating a Maximum One-Time Maximum Special Tax under Section D.6, and shall not be employed in the actual calculation of a One-Time Special Tax for an Assessor's Parcel.

“Total Expected Non-Residential Property Acreage” means the total amount of Acreage of Non-Residential Property expected to be developed in each Development Phase based on the Bond Issuance Development Plan, or if no Development Phases have been identified, for the entire CFD No. 2013-3 (IA No. 9).

“Total Number of Expected Dwelling Units” means the total number of Dwelling Units expected to be constructed in each Development Phase based on the Bond Issuance Development Plan, or if no Development Phases have been identified, for the entire CFD No. 2013-3 (IA No. 9).

“Update Property” means an Assessor’s Parcel of Final Mapped Property or Undeveloped Property for which a building permit was issued after May 1 of the Fiscal Year preceding the current Fiscal Year.

“Updated Development Phase Table” means a table prepared by the CFD Administrator reflecting the existing Residential Property and Non-Residential Property and the Projected Residential Property and Non-Residential Property to be constructed in a Development Phase, as revised pursuant to Section D.3.

1. Development Utilizing Optional Compliance Letter

(a) Property Owner Request for Compliance Letter

(i) Residential Property

After the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, a property owner may, prior to the issuance of a building permit for construction of any Residential Property for a specific Assessor’s Parcel, tract or lot, request a Compliance Letter from the CFD Administrator to determine whether or not such property owner will be required to pay a One-Time Special Tax. The request from the property owner shall contain a list of all Residential Property for which the property owner is requesting a Compliance Letter, and shall identify the Development Phase(s), if any, within which the Residential Property is expected by the property owner to be located. The property owner shall also submit the Assessor’s Parcel or tract and lot numbers on which the Residential Property is to be constructed, and the Land Use Class for each residential Dwelling Unit associated with the Residential Property.

(ii) Non-Residential Property

After the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, a property owner may, prior to the issuance of a building permit for construction of any Non-Residential Property for a specific Assessor’s Parcel, tract, or lot, request a Compliance Letter from the CFD Administrator to determine whether or not such property owner will be required to pay a One-Time Special Tax. The request from the property owner shall contain the final map, parcel map, or lot line adjustment for which the property owner is requesting a Compliance Letter, as well as identify the Development Phase(s) within which the

Non-Residential Property is expected by the property owner to be located. The property owner shall also submit the Assessor's Parcel or tract and lot numbers on which the Non-Residential Property is to be constructed, the Non-Residential Floor Area and Acreage for such Assessor's Parcel or tract and lot numbers, and the Land Use Class into which such development should be assigned.

(b) Issuance of Compliance Letter

(i) Residential Property

The number of residential Dwelling Units by Land Use Class in each Development Phase, if any, as listed in the Bond Issuance Development Phase Table, shall be reviewed by the CFD Administrator upon the receipt of a request from a property owner for a Compliance Letter. The CFD Administrator shall assign each Dwelling Unit identified in such request to Land Use Classes 1 through 30 for the applicable Development Phase within which such Dwelling Unit is to be located. If the CFD Administrator determines for Land Use Classes 1-30 that (i) the number of Dwelling Units of Projected Residential Property being requested for a specific Land Use Class in a Development Phase, plus those Dwelling Units previously identified and approved by the CFD Administrator as belonging to such Land Use Class in that Development Phase, does not exceed the Total Number of Expected Dwelling Units for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, and (ii) the total number of Dwelling Units anticipated to be constructed in the Development Phase as a result of this request is not less than the Total Number of Expected Dwelling Units reflected in the Bond Issuance Development Phase Table for that Development Phase, then a Compliance Letter shall be awarded to the property owner stating that no One-Time Special Tax shall be levied on the Projected Residential Property in the specific Land Use Classes proposed in the request from the property owner. This Compliance Letter shall be forwarded to the property owner by the CFD Administrator and shall list, by Land Use Class and Assessor's Parcel, the Residential Property that shall be exempt from the One-Time Special Tax.

However, should the CFD Administrator determine that (i) the number of Dwelling Units of Projected Residential Property being requested for a specific Land Use Class in the Development Phase, plus those Dwelling Units previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, cause the total number of such Dwelling Units to exceed the Total Number of Expected Dwelling Units for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, or (ii) the total number of Dwelling Units anticipated to be constructed in the entire Development Phase as a result of the request would decrease the number of Dwelling Units to be constructed to below the Total Number of Expected Dwelling Units for the entire Development Phase reflected in the Bond Issuance Development Phase Table, then a Compliance Letter shall not be issued prior to the CFD Administrator determining if a One-Time Special Tax shall be required.

The CFD Administrator shall monitor the issuance of building permits by the City

within CFD No. 2013-3 (IA No. 9) on a weekly basis prior to IA No. 9 Buildout. If a property owner receives a Compliance Letter for Residential Property that is Pending Development and should that property owner be issued a building permit to construct a building that is not consistent with the Projected Residential Property listed in the Compliance Letter, such Compliance Letter shall be nullified, and a new review of such Residential Property shall be conducted by the CFD Administrator, as called for under Section D.2, below, based on the development identified on the building permit.

(ii) Non-Residential Property

The amount of Non-Residential Property Acreage and Non-Residential Floor Area by Land Use Class in each Development Phase, if any, as listed in the Bond Issuance Development Phase Table, shall be reviewed by the CFD Administrator upon the receipt of a request from a property owner for a Compliance Letter. The CFD Administrator shall assign each Acre of Non-Residential Property identified in such request to Land Use Classes 31 through 36 in the applicable Development Phase within which such Acreage and Non-Residential Floor Area is to be located. If the CFD Administrator determines for Land Use Classes 31-36 that (i) the amount of Non-Residential Property Acreage being requested for a specific Land Use Class in a Development Phase, plus the Non-Residential Property Acreage previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, does not exceed the Total Expected Non-Residential Property Acreage for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, and (ii) the total amount of Non-Residential Property Acreage anticipated to be constructed in the entire Development Phase as a result of the request is not less than the Total Expected Non-Residential Property Acreage reflected in the Bond Issuance Development Phase Table for that Development Phase, then a Compliance Letter shall be awarded to the property owner stating that no One-Time Special Tax shall be levied on the Projected Non-Residential Property in the specific Land Use Classes proposed in the request from the property owner. This One-Time Special Tax Compliance Letter shall be forwarded to the property owner by the CFD Administrator listing, by Land Use Class and Assessor's Parcel, the Non-Residential Property that shall be exempt from the One-Time Special Tax.

However, should the CFD Administrator determine that (i) the amount of Non-Residential Property Acreage being requested for such Land Use Class in the Development Phase, plus the Non-Residential Property Acreage previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, cause the total amount of Non-Residential Property Acreage to exceed the Total Expected Non-Residential Property Acreage for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, or (ii) the total amount of Non-Residential Property Acreage anticipated to be constructed for the entire Development Phase as a result of the request would decrease the amount of Non-Residential Property Acreage to be constructed to below the Total Expected Non-Residential Property Acreage for the entire Development Phase reflected in the Bond Issuance Development Phase

Table, then a Compliance Letter shall not be issued prior to the CFD Administrator determining if a One-Time Special Tax shall be required.

The CFD Administrator shall monitor the issuance of building permits by the City within CFD No. 2013-3 (IA No. 9) on a weekly basis prior to IA No. 9 Buildout. If a property owner receives a Compliance Letter for the development of Non-Residential Property that is Pending Development, and should that property owner be issued a building permit to construct a building that is not consistent with the Projected Non-Residential Property listed in the Compliance Letter, such Compliance Letter shall be nullified, and a new review of such Non-Residential Property shall be conducted by the CFD Administrator, as called for under Section D.2., below, based on the development identified on the building permit.

2. Development Not Utilizing Optional Compliance Letter

(a) Residential Property

After the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the CFD Administrator shall, no less frequently than once each week prior to IA No. 9 Buildout, obtain from the City Building and Safety Division a list of building permits for Residential Property within CFD No. 2013-3 (IA No. 9) that have been issued during the period since the CFD Administrator last obtained such building permit information. The CFD Administrator shall determine those building permit issuances for which Compliance Letters have not already been issued, and shall identify the Assessor's Parcels or tract and lot numbers on which the construction that is the subject of such permit issuances is taking place, and the Development Phase and Land Use Class for each Dwelling Unit that is Pending Development. Such determination shall be completed within 15 days of the CFD Administrator's obtaining the building permit data from the City Building Department.

If the CFD Administrator determines for Land Use Classes 1-30 that (i) the number of Dwelling Units for which building permits have been issued for a specific Land Use Class in a Development Phase, plus those Dwelling Units previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, does not exceed the Total Number of Expected Dwelling Units for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, and (ii) the total number of Dwelling Units anticipated to be constructed in the Development Phase as a result of these building permits, as provided by the Developer and approved by the City, is not less than the Total Number of Expected Dwelling Units reflected in the Bond Issuance Development Phase Table for that Development Phase, then no One-Time Special Tax shall be levied on the Assessor's Parcels or lots on which such development is occurring.

However, should the CFD Administrator determine that (i) the Dwelling Units for such Land Use Class included in these building permits for a Development Phase, plus those previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, cause the total

number of such Dwelling Units to exceed the Total Number of Expected Dwelling Units for that Land Use Class as listed in the Bond Issuance Development Phase Table for that Development Phase, or (ii) the total number of Dwelling Units anticipated to be constructed in the entire Development Phase as a result of the request would decrease the number of Dwelling Units to be constructed to below the Total Number of Expected Dwelling Units for the entire Development Phase reflected in the Bond Issuance Development Phase Table, then the CFD Administrator shall undertake the calculations listed under this Section D to determine whether or not a One-Time Special Tax shall be levied on this Residential Property.

(b) Non-Residential Property

After the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the CFD Administrator shall, no less frequently than once each week, obtain from the City Building and Safety Division a list of the building permits for Non-Residential Property within CFD No. 2013-3 (IA No. 9) that have been issued during the period since the CFD Administrator last obtained such building permit information. The CFD Administrator shall determine those building permit issuances for which Compliance Letters have not already been issued, and shall identify the Assessor's Parcels or tract and lot numbers on which the construction that is the subject of such permit issuances is taking place, and the Land Use Class for the Non-Residential Property that is Pending Development. Such determination shall be completed within 15 days of the CFD Administrator's obtaining the building permit data from the City Building Department.

The CFD Administrator shall assign the Acreage of Non-Residential Property being requested to Land Use Classes 31 through 36 in the applicable Development Phase within which such Non-Residential Property Acreage is to be located based on the type of use. If the CFD Administrator determines for Land Use Classes 31-36 that (i) the amount of Non-Residential Property Acreage associated with a building permit for a specific Land Use Class in a Development Phase, plus the Non-Residential Property Acreage previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, does not exceed the Total Expected Non-Residential Property Acreage for that Land Use Class as listed in the Bond Issuance Development Phase Table, and (ii) the total amount of Non-Residential Property Acreage anticipated to be constructed in the entire Development Phase as a result of the building permit, as submitted by the Developer and approved by the City, is not less than the Total Expected Non-Residential Property Acreage reflected in the Bond Issuance Development Phase Table for the Development Phase, then no One-Time Special Tax shall be levied on such Non-Residential Property.

However, should the CFD Administrator determine that (i) the Non-Residential Property Acreage for such Land Use Class included in this building permit in a Development Phase, plus the Non-Residential Property Acreage previously identified and approved by the CFD Administrator as belonging to such Land Use Class in the Development Phase, cause the total Non-Residential Property Acreage to exceed the Total Expected Non-Residential Property Acreage for that

Land Use Class as listed in the Bond Issuance Development Phase Table for the Development Phase, or (ii) the total Non-Residential Property Acreage anticipated to be constructed in the entire Development Phase as a result of this building permit would decrease the amount of Non-Residential Property Acreage to be constructed to below the Total Expected Non-Residential Property Acreage for the entire Development Phase reflected in the Bond Issuance Development Phase Table, then the CFD Administrator shall undertake the calculations listed under this Section D to determine whether or not a One-Time Special Tax shall be levied on this Non-Residential Property.

TABLE 2**BOND ISSUANCE DEVELOPMENT PHASE TABLE**

**Expected Residential Dwelling Units and Non-Residential Property Acreage per Land Use Class
Improvement Area No. 9 of CFD No. 2013-3**

Land Use Class	Description	Expected Residential Dwelling Units/Non-Residential Property Acreage						
		Develop. Phase 1	Develop. Phase 2	Develop. Phase 3	Develop. Phase 4	Develop. Phase 5	Develop. Phase 6	Develop. Phase 7
1	DETACHED RESIDENTIAL (=> 5,700 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
2	DETACHED RESIDENTIAL (5,450 SF - 5,699 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
3	DETACHED RESIDENTIAL (5,200 SF - 5,449 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
4	DETACHED RESIDENTIAL (4,950 SF – 5,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
5	DETACHED RESIDENTIAL (4,700 SF - 4,949 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
6	DETACHED RESIDENTIAL (4,450 SF - 4,699 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
7	DETACHED RESIDENTIAL (4,200 SF - 4,449 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
8	DETACHED RESIDENTIAL (3,950 SF - 4,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
9	DETACHED RESIDENTIAL (3,700 SF - 3,949 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
10	DETACHED RESIDENTIAL (3,450 SF - 3,699 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
11	DETACHED RESIDENTIAL (3,200 SF - 3,449 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
12	DETACHED RESIDENTIAL (2,950 SF - 3,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
13	DETACHED RESIDENTIAL (2,700 SF - 2,949 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
14	DETACHED RESIDENTIAL (2,450 SF - 2,699 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
15	DETACHED RESIDENTIAL (2,200 SF - 2,449 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Land Use Class	Description	Expected Residential Dwelling Units/Non-Residential Property Acreage						
		Develop. Phase 1	Develop. Phase 2	Develop. Phase 3	Develop. Phase 4	Develop. Phase 5	Develop. Phase 6	Develop. Phase 7
16	DETACHED RESIDENTIAL (1,950 SF - 2,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
17	DETACHED RESIDENTIAL (1,700 SF - 1,949 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
18	DETACHED RESIDENTIAL (< 1,700 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
19	ATTACHED RESIDENTIAL (>= 2,600 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
20	ATTACHED RESIDENTIAL (2,400 SF – 2,599 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
21	ATTACHED RESIDENTIAL (2,200 SF – 2,399 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
22	ATTACHED RESIDENTIAL (2,000 SF – 2,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
23	ATTACHED RESIDENTIAL (1,800 SF – 1,999 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
24	ATTACHED RESIDENTIAL (1,600 SF – 1,799 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
25	ATTACHED RESIDENTIAL (1,400 SF – 1,599 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
26	ATTACHED RESIDENTIAL (1,200 SF – 1,399 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
27	ATTACHED RESIDENTIAL (1,000 SF – 1,199 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
28	ATTACHED RESIDENTIAL (800 SF – 999 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
29	ATTACHED RESIDENTIAL (< 800 SF)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
30	AFFORDABLE HOUSING, MODERATE AFFORDABLE UNITS, AND MODERATE AFFORDABLE SENIOR UNITS	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	TOTAL NUMBER OF EXPECTED DWELLING UNITS (LAND USE CLASSES 1-30)	TBD	TBD	TBD	TBD	TBD	TBD	TBD
31	NON-RESIDENTIAL - COMMERCIAL PROPERTY	TBD	TBD	TBD	TBD	TBD	TBD	TBD

Land Use Class	Description	Expected Residential Dwelling Units/Non-Residential Property Acreage						
		Develop. Phase 1	Develop. Phase 2	Develop. Phase 3	Develop. Phase 4	Develop. Phase 5	Develop. Phase 6	Develop. Phase 7
32	NON-RESIDENTIAL– INDUSTRIAL PROPERTY	TBD	TBD	TBD	TBD	TBD	TBD	TBD
33	NON-RESIDENTIAL– INSTITUTIONAL PROPERTY	TBD	TBD	TBD	TBD	TBD	TBD	TBD
34	NON-RESIDENTIAL – OFFICE PROPERTY	TBD	TBD	TBD	TBD	TBD	TBD	TBD
35	NON-RESIDENTIAL – AUTO CENTER	TBD	TBD	TBD	TBD	TBD	TBD	TBD
36	OTHER NON-RESIDENTIAL PROPERTY	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	TOTAL EXPECTED NON-RESIDENTIAL PROPERTY ACREAGE/FLOOR AREA (LAND USE CLASSES 31-36)	TBD	TBD	TBD	TBD	TBD	TBD	TBD

3. Calculation of One-Time Special Tax

If a One-Time Special Tax calculation is required as determined by the CFD Administrator pursuant to Section D.1 or Section D.2., for any Pending Development, the CFD Administrator shall review the Bond Issuance Development Phase Table with respect to the applicable Development Phase(s) in consultation with the current property owner(s) for all remaining Final Mapped Property and Undeveloped Property within such Development Phase, and shall prepare an Updated Development Phase Table identifying the revised number of Dwelling Units and/or the amount of Non-Residential Property Acreage anticipated within each Land Use Class for that Development Phase. If no Development Phases are included in the Bond Issuance Development Phase Table, such analysis shall be applied to the entire CFD No. 2013-3 (IA No. 9), as shall the analyses cited throughout this Section D.3. The CFD Administrator shall not be responsible for any delays in preparing the Updated Development Phase Table that result from a refusal on the part of one or more current property owners of Final Mapped Property or Undeveloped Property within the applicable Development Phase to provide information on their future development. If such a refusal on the part of one or more current property owners persists for more than 14 days, the CFD Administrator shall rely on the Residential Property and/or Non-Residential Property identified in the Bond Issuance Development Phase Table for the Final Mapped Property and/or Undeveloped Property within the applicable Development Phase.

The CFD Administrator shall then review the Updated Development Phase Table and determine the One-Time Special Tax, if any, to be levied on the applicable Assessor's Parcels of Pending Development being analyzed. The calculations shall be undertaken by the CFD Administrator, based on the data in the applicable Updated Development Phase Table, as follows:

- Step 1. Compute the sum of the Annual Special Tax revenues authorized to be levied on all Developed Property and Update Property within the applicable Development Phase, plus the sum of the Annual Special Tax revenues authorized to be levied on all future development within the applicable Development Phase as identified in the Updated Development Phase Table assuming IA No. 9 Buildout, as determined by the CFD Administrator in consultation with the property owner(s).
- Step 2. Determine the Annual Special Tax revenues expected to be generated by the applicable Development Phase based on the Bond Issuance Development Phase Table.
- Step 3. If the total sum computed pursuant to Step 1 is greater than or equal to the amount computed pursuant to Step 2, then no One-Time Special Tax shall be required and a Compliance Letter shall be awarded to the property owner by the CFD Administrator for all Pending Development. If the total sum computed pursuant to Step 1 is less than the amount computed pursuant to Step 2, subtract the amount computed pursuant to Step 1 from the amount computed pursuant to Step 2 (hereinafter called the "Remaining Amount"), then continue to Step 4.
- Step 4. Determine the Annual Special Tax revenues expected to be generated by all Development Phases based on the Bond Issuance Development Phase Table.

- Step 5. Multiply the amount of Outstanding Bonds by a fraction, the numerator of which is the Remaining Amount computed for such Development Phase in Step 3, and the denominator of which is the amount computed for all Development Phases in Step 4. The result is the amount of Outstanding Bonds that can be supported by the shortfall computed pursuant to Step 3. Round up the amount determined under this Step 5 to the nearest increment of \$5,000 to compute the amount of Outstanding Bonds to be redeemed.
- Step 6. Multiply the amount computed pursuant to Step 5 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.
- Step 7. Compute the amount needed to pay interest on the amount computed pursuant to Step 5 from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest possible redemption date for the Outstanding Bonds, and subtract therefrom the estimated amount of interest earnings to be derived from the reinvestment of the amounts computed pursuant to Step 5 and Step 6 until such redemption.
- Step 8. Determine all of the administrative costs associated with implementing the One-Time Special Tax, including the costs of computation of the One-Time Special Tax, the costs to invest the One-Time Special Tax proceeds and the costs of redeeming Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds.
- Step 9. A reserve fund credit shall be determined. The credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as specified in the Indenture), if any, associated with the redemption of Outstanding Bonds with proceeds of the One-Time Special Tax, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds with proceeds of the One-Time Special Tax from the balance in the reserve fund on the determination date of the One-Time Special Tax, but in no event shall such amount be less than zero. No reserve fund credit shall be granted if the amount then on deposit in the reserve fund for the Outstanding Bonds is below 100% of the reserve requirement (as defined in the Indenture).
- Step 10. The One-Time Special Tax is equal to the sum of the amounts computed pursuant to Steps 5, 6, 7 and 8, less the credit computed pursuant to Step 9.

4. Billing and Collection of One-Time Special Tax

The One-Time Special Tax for any Development Phase, as calculated above, shall be levied by means of direct billing of the owners of the Assessor's Parcels for all Pending Development in that Development Phase that has been found to be Non-Compliant Property. The total One-Time Special Taxes required as a result of an Assessor's Parcel of Non-Compliant Property shall be divided proportionately among all of the Pending Development owned by the property owner of such Assessor's Parcel, based on the relative amount of Annual Special Taxes to be levied on and applied to the Assessor's Parcels of Pending Development owned by such property owner in the next Fiscal Year. The resulting One-Time Special Tax levied on each Assessor's Parcel of Pending Development owned by such property owner shall have the same priority and bear the

same proportionate penalties and interest after delinquency as do the *ad valorem* taxes on real property. CFD No. 2013-3 (IA No. 9) shall effect the levy of the One-Time Special Tax in accordance with the ordinance of the City levying the Special Taxes.

The CFD Administrator shall prepare a bill for the One-Time Special Tax payable with respect to each Assessor's Parcel of Pending Development and shall send such bill to the property owner of such parcel by United States first-class mail, postage prepaid. Said bill shall be so mailed no later than five business days after the date of the calculation, and shall be dated as of the date of such mailing. The One-Time Special Tax shall be due and payable upon the One-Time Special Tax Payment Date. The ownership and billing address for each such Assessor's Parcel shall be ascertained from the records of the Assessor of the County. Each such bill shall state the amount of the One-Time Special Tax payable, the One-Time Special Tax Payment Date, and shall inform the property owner that, if such One-Time Special Tax is not paid by such date, penalties and interest will begin to accrue, foreclosure proceedings may be initiated and a lis pendens may be recorded against the Assessor's Parcel until the One-Time Special Tax is paid.

5. Term: Exemptions

The One-Time Special Tax shall terminate and no longer be levied or collected pursuant to this Rate and Method of Apportionment on the date that is the later of (i) the Fiscal Year immediately following the fortieth anniversary of the date on which the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds were sold or (ii) Fiscal Year 2057-2058. Property exempt from the levy of the Special Taxes by law or pursuant to the provisions of Section F, below, shall also be exempt from the levy of the One-Time Special Tax.

6. Maximum One-Time Special Tax Disclosure

While the actual One-Time Special Tax shall be calculated based on the methodology delineated in Sections D.1, D.2, and D.3, above, Section 53321(d) of the California Government Code requires that a rate and method of apportionment allow a property owner to estimate the maximum special taxes that could potentially be levied on its property. The Maximum One-Time Special Tax for an Assessor's Parcel may be estimated by utilizing the following methodology:

(a) Residential Property

Step 1. Divide the Annual Special Tax rate listed in Table 1 for a Dwelling Unit in Land Use Class 1 by the Total Assumed Annual Special Taxes.

Step 2. Multiply the quotient resulting from Step 1 by the Authorized Bonded Indebtedness. The product of these two numbers is the Maximum One-Time Special Tax for a Dwelling Unit of Residential Property in CFD No. 2013-3 (IA No. 9).

(b) Non-Residential Property

Step 1. Divide the Annual Special Tax rate listed in Table 1 on an Acreage or on a projected Non-Residential Floor Area basis, whichever is greater, for the Land Use Class in which the Non-Residential Property belongs, by the Total

Assumed Annual Special Taxes.

Step 2. Multiply the quotient resulting from Step 1 by the Authorized Bonded Indebtedness. The product of these two numbers is the Maximum One-Time Special Tax on an Acreage or a Non-Residential Floor Area basis for Non-Residential Property in CFD No. 2013-3 (IA No. 9).

E. METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

1. Annual Levy

Commencing with Fiscal Year 2017-2018 and for each following Fiscal Year, the Council shall levy the Annual Special Tax as follows:

First: The Annual Special Tax shall be levied on each Assessor's Parcel of Developed Property in an amount equal to 100% of the applicable Maximum Annual Special Tax for Developed Property.

Second: Determine the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement and Proportionately levy the Annual Special Tax on each Assessor's Parcel of Final Mapped Property until the amount levied on Final Mapped Property is equal to the lesser of (i) the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement, or (ii) 100% of the Intermediate Maximum Annual Special Tax for Final Mapped Property.

Third: If additional monies are needed to satisfy the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement after the first two steps have been completed, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property until the amount levied on Undeveloped Property is equal to the lesser of (i) the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement less the amount levied pursuant to the second step above, or (ii) 100% of the Intermediate Maximum Annual Special Tax for Undeveloped Property.

Fourth: If additional monies are needed to satisfy the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement after the first three steps have been completed, then the Annual Special Tax levy on each Assessor's Parcel of Final Mapped Property and Undeveloped Property shall be increased in equal percentages from the Intermediate Maximum Annual Special Tax up to 100% of the Maximum Annual Special Tax for Final Mapped Property and Undeveloped Property until the Final Mapped Property/Undeveloped Property Annual Special Tax Requirement is satisfied.

Fifth: Determine the Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement and Proportionately levy the Annual Special Tax on each Assessor's Parcel of Taxable Property Owner Association Property until the amount levied on Taxable Property Owner Association Property is equal to the lesser of (i) the Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement or (ii) 100% of the Maximum Annual Special Tax for Taxable Property Owner Association Property.

Sixth: If additional monies are needed to satisfy the Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement after the fifth step has been completed, then the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property until the amount levied on Taxable Public Property is equal to the lesser of (i) the Taxable Property Owner Association Property/Taxable Public Property Annual Special Tax Requirement less the amount levied pursuant to the fifth step above, or (ii) 100% of the Maximum Annual Special Tax for Taxable Public Property.

F. EXEMPTIONS

No Special Tax shall be levied on up to (i) 9.77 Acres of Property Owner Association Property in CFD No. 2013-3 (IA No. 9), (ii) 5.27 Acres of Public Property in CFD No. 2013-3 (IA No. 9), and (iii) 0 Acres of Church Property in CFD No. 2013-3 (IA No. 9). No Special Tax shall be levied on Affordable Housing, Moderate Affordable Units, and Moderate Affordable Senior Units provided that the number of such Dwelling Units in CFD No. 2013-3 (IA No. 9) does not cause the total of such Dwelling Units within CFD No. 2013-3 to exceed 1,048 Dwelling Units. Once 1,048 Dwelling Units have been assigned to these three categories, all additional Affordable Housing, Moderate Affordable Units, and Moderate Affordable Senior Units Dwelling Units shall be subject to the Special Tax Rates assigned to comparable-sized market rate Dwelling Units, as listed in Table 1. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property in CFD No. 2013-3 (IA No. 9) becomes Public Property, Property Owner Association Property, Church Property, Affordable Housing, Moderate Affordable Units, or Moderate Affordable Senior Units. However, should an Assessor's Parcel no longer be classified as Public Property, Property Owner Association Property, Church Property, Affordable Housing, Moderate Affordable Units, or Moderate Affordable Senior Units, it will, from that point forward, be subject to the Special Tax.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Annual Special Tax (as well as the One-Time Special Tax) and shall be taxed Proportionately as part of the fifth step and sixth step in Section E above, respectively, at up to 100% of the applicable Maximum Annual Special Tax for Taxable Property Owner Association Property or Taxable Public Property.

Church Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Annual Special Tax (as well as the One-Time Special Tax) and shall be taxed Proportionately as Other Non-Residential Property in Section E above, at up to 100% of the applicable Maximum Annual Special Tax for Other Non-Residential Property.

Affordable Housing, Moderate Affordable Units, and Moderate Affordable Senior Units that are not exempt from the Special Tax under this section shall be subject to the levy of the Annual Special Tax (as well as the One-Time Special Tax) and shall be taxed Proportionately as Residential Property in Section E above, at up to 100% of the applicable Maximum Annual Special Tax for the applicable Land Use Class 1-29, based on whether the Dwelling Unit is attached or detached and its square footage.

Notwithstanding the foregoing paragraphs, prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, if an Assessor's Parcel subject to the Special Tax becomes Public Property, the Assessor's Parcel shall be deemed Exempt Property and shall

be exempt from the levy of the Special Tax so long as such Assessor's Parcel remains Public Property.

Assessor's Parcels or Units that are exempt from the levy of the Annual Special Tax under this Section F are also exempt from the payment of any One-Time Special Taxes.

G. MANNER OF COLLECTION

The Annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the City, through the CFD Administrator may (i) directly bill the Annual Special Tax (as well as the One-Time Special Tax), and/or may collect Special Taxes at a different time or in a different manner if necessary to meet financial obligations or as otherwise required herein and (ii) may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels. All direct billings shall be due within 30 days of the billing date.

H. APPEALS AND INTERPRETATIONS

Any landowner who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to the CFD Administrator. The CFD Administrator shall review the appeal and if the City concurs, a refund shall be provided that is consistent with statutory requirements in the Revenue and Taxation Code. The CFD Administrator may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner appeals.

I. PREPAYMENT OF ANNUAL SPECIAL TAX

Under this Rate and Method of Apportionment, an Assessor's Parcel within CFD No. 2013-3 (IA No. 9) is permitted to prepay a portion of the Maximum Annual Special Tax (the "Prepayable Portion of the Annual Special Tax"). The obligation of the Assessor's Parcel to pay the Prepayable Portion of the Annual Special Tax may be fully or partially prepaid and permanently satisfied as described herein, provided that a prepayment may be made only for Assessor's Parcels of Developed Property, or an Assessor's Parcel of Final Mapped Property or Undeveloped Property for which a building permit for construction has been issued after January 1, 2017, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to fully or partially prepay the Prepayable Portion of the Annual Special Tax shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge such owner a reasonable fee for providing this service. If there are Outstanding Bonds, prepayment must be made not less than 30 days prior to a date that notice of redemption of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds from the proceeds of such prepayment must be given by the Trustee pursuant to the Indenture. No portion of the Maximum Annual Special Tax other than the Prepayable Portion of the Annual Special Tax may be prepaid. Only Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds may be redeemed as the result of any prepayment in this Section I Prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the percentages identified in Section I (in

connection with the calculation of the Prepayable Portion of the Residential Property Annual Special Tax and the Prepayable Portion of the Non-Residential Property Annual Special Tax) and Section J may be changed to reflect changes in development, without the need for any proceedings to make changes permitted under the Act.

1. Full Prepayment of the Prepayable Portion of the Annual Special Tax

The full Prepayment Amount of the Prepayable Portion of the Annual Special Tax shall be the Prepayment Amount identified in Section (a) below, for Residential Property, and the Prepayment Amount identified in Section (b) below for Non-Residential Property.

(a) Residential Property

As of the proposed date of prepayment, the full Prepayment Amount for Residential Property Annual Special Taxes shall be determined by application of the following steps:

- Step 1. Determine the number of future years remaining until the Fiscal Year in which the fortieth anniversary of the date on which the first issue of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds was sold occurs, not including the current Fiscal Year. If Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds have not yet been issued, the number shall be 40.
- Step 2. Determine the Maximum Annual Special Tax being levied in the current Fiscal Year on the Assessor's Parcel prepaying the Annual Special Tax (under the assumption that the Assessor's Parcel is Developed Property).
- Step 3. Multiply the Maximum Annual Special Tax calculated pursuant to Step 2 by 75.51% (the "Prepayable Portion of the Residential Property Annual Special Tax").
- Step 4. Determine the amount of Annual Special Tax levied in the current Fiscal Year on such Assessor's Parcel which has not yet been paid and multiply this amount by 75.51%.
- Step 5. The Prepayment Amount determined under this Section (a) shall be computed by calculating the sum of the following: (i) the net present value of the flow of annual revenues from the Prepayable Portion of the Residential Property Annual Special Tax as determined under Step 3, for the number of years identified in Step 1, escalated annually by 2.0%, using a discount rate equal to the Discount Rate; and (ii) the unpaid current Fiscal Year's Prepayable Portion of the Residential Property Annual Special Tax as determined under Step 4 (collectively, the "Prepayment Amount").

(b) Non-Residential Property

As of the proposed date of prepayment, the full Prepayment Amount for Non-Residential Property Annual Special Taxes shall be determined by application of the following steps:

- Step 1. Determine the number of future years remaining until the Fiscal Year in which the fortieth anniversary of the date on which the first issue of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds was sold occurs, not including the current Fiscal Year. If Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds have not yet been issued, the number shall be 40.
- Step 2. Determine the Maximum Annual Special Tax being levied in the current Fiscal

Year on the Assessor's Parcel prepaying the Annual Special Tax (under the assumption that the Assessor's Parcel is Developed Property).

- Step 3. Multiply the Maximum Annual Special Tax calculated pursuant to Step 2 by 74.14% (the "Prepayable Portion of the Non-Residential Annual Special Tax").
- Step 4. Determine the amount of Annual Special Tax levied in the current Fiscal Year on such Assessor's Parcel which has not yet been paid and multiply this amount by 74.14%.
- Step 5. The Prepayment Amount determined under this Section (b) shall be computed by calculating the sum of the following: (i) the net present value of the flow of annual revenues from the Prepayable Portion of the Non-Residential Annual Special Tax as determined under Step 3, for the number of years identified in Step 1, escalated annually by 2.0%, using a discount rate equal to the Discount Rate; and (ii) the unpaid current Fiscal Year's Prepayable Portion of the Non-Residential Annual Special Tax as determined under Step 4 (collectively, the "Prepayment Amount").

2. Partial Prepayment of the Prepayable Portion of the Special Tax

The amount of the partial prepayment shall be calculated as in Section I.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = PE \times F$$

These terms have the following meaning:

- PP = the Partial Prepayment Amount of the Prepayable Portion of the Annual Special Tax
- PE = the Prepayment Amount of the Prepayable Portion of the Annual Special Tax calculated according to Section I.1.(a) (for Residential Property) or Section I.1.(b) (for Non-Residential Property).
- F = the percentage, expressed as a decimal, by which the owner of the Assessor's Parcel is partially prepaying the Prepayable Portion of the Annual Special Tax.

3. General Provisions Applicable to Prepayment

(a) Use of Prepayments

Subsequent to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the Prepayment Amount of the Prepayable Portion of the Annual Special Tax shall be applied in the following order of priority: (i) to be deposited into specific funds established under the Indenture, to fully or partially retire as many Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds as possible, and, if amounts are less than \$5,000, to make debt service payments on the Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, (ii) to finance Group A Facilities and/or Group B Facilities, as identified in the Amended and Restated Development Agreement, and (iii) to be remitted to the City and used for any Authorized Facilities or Authorized Services in accordance with the Amended and Restated Development Agreement. Prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the Prepayment Amount of the Prepayable Portion of the Annual Special Tax shall be applied in the following order of priority: (i) to finance Group A and/or Group B Facilities, as identified in the Amended and Restated Development Agreement, and (ii) to be remitted to the City and used for

any Authorized Facilities or Authorized Services in accordance with the Amended and Restated Development Agreement.

(b) Full Prepayment of the Prepayable Portion of the Special Tax

Upon confirmation of the payment of the current Fiscal Year's entire Prepayable Portion of the Annual Special Tax, the CFD Administrator shall remove the current Fiscal Year's Prepayable Portion of the Annual Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid in accordance with Section I.1, the CFD Administrator shall indicate in the records of CFD No. 2013-3 (IA No. 9) that there has been a prepayment of the Prepayable Portion of the Annual Special Tax and that a portion of the Maximum Annual Special Tax with respect to such Assessor's Parcel, equal to 24.49% of the Maximum Annual Special Tax for Residential Property and 25.86% of the Maximum Annual Special Tax for Non-Residential Property, shall continue to be levied on such Assessor's Parcel pursuant to Section E.

(c) Partial Prepayment of the Prepayable Portion of the Special Tax

Upon confirmation of the payment of a portion of the current Fiscal Year's Prepayable Portion of the Annual Special Tax, the CFD Administrator shall remove a portion of the current Fiscal Year's Prepayable Portion of the Annual Special Tax levy for such Assessor's Parcel from the County tax rolls equal to that amount included in the partial prepayment for such Assessor's Parcel determined in Section I.2. With respect to any Assessor's Parcel that is partially prepaid in accordance with Section I.2, the CFD Administrator shall indicate in the records of CFD No. 2013-3 (IA No. 9) that there has been a partial prepayment of the Prepayable Portion of the Annual Special Tax and that a portion of the Maximum Annual Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage $[1.00 - (.7551 \times F)]$ multiplied by the Maximum Annual Special Tax for Residential Property and $[1.00 - (.7414 \times F)]$ multiplied by the Maximum Annual Special Tax for Non-Residential Property shall continue to be levied on such Assessor's Parcel pursuant to Section E.

(d) Debt Service Coverage

Notwithstanding the foregoing, no prepayment of the Prepayable Portion of the Annual Special Tax shall be allowed unless, at the time of such proposed prepayment, the Annual Special Tax that may be levied on Taxable Property within CFD No. 2013-3 (IA No. 9) in all Fiscal Years (after excluding 9.77 Acres of Property Owner Association Property, 5.27 Acres of Public Property, 0 Acres of Church Property, and the expected number of Affordable Property, Moderate Affordable Units, and Moderate Affordable Senior Units that will be Exempt Property in CFD No. 2013-3 (IA No. 9) as set forth in Section F), both prior to and after the proposed prepayment, is at least equal to the Debt Service Coverage times the debt service necessary to support the remaining Outstanding Bonds.

J. TERM OF ANNUAL SPECIAL TAX

83.06% of the Maximum Annual Special Tax on Residential Property and 81.55% of the Maximum

Annual Special Tax on Non-Residential Property shall terminate and no longer be levied or collected pursuant to this Rate and Method of Apportionment on the date that is the later of (i) the Fiscal Year immediately following the fortieth anniversary of the date on which the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds were sold or (ii) Fiscal Year 2057-2058. The remaining portion of the Annual Special Tax for both Residential Property and Non-Residential Property shall be levied into perpetuity.

Prior to the issuance of the first series of Non-Subordinate CFD No. 2013-3 (IA No. 9) Bonds, the termination percentages listed immediately above may be changed to reflect changes in development, without the need for any proceedings to make changes permitted under the Act.

K. NO EXTENSION OR MODIFICATION OF AMENDED AND RESTATED DEVELOPMENT AGREEMENT

Notwithstanding any reference to the Amended and Restated Development Agreement, nothing herein shall incorporate extensions to or modifications of the Amended and Restated Development Agreement in to the Rate and Method of Apportionment.

EXHIBIT A

CERTIFICATE TO AMEND ANNUAL SPECIAL TAX

CITY OF IRVINE AND CFD No. 2013-3 (IA No. 9) CERTIFICATE

1. Pursuant to Section C of the Rate and Method of Apportionment, as attached to the Notice of Special Tax Lien, recorded in the Official Records of the County of Orange as Instrument No. XXXXXX on MM/DD/YYYY, the City of Irvine ("City") and City of Irvine Community Facilities District No. 2013-3 ("CFD No. 2013-3 (IA No. 9)") hereby reduce some or all of the Maximum Annual Special Taxes for Residential Property or the Special Taxes for Non-Residential Property set forth in Table 1 of the Rate and Method of Apportionment for CFD No. 2013-3 (IA No. 9).

The information in Table 1 relating to the Fiscal Year 2017-2018 Maximum Annual Special Tax for Developed Property within CFD No. 2013-3 (IA No. 9) shall be amended and restated in full as follows:

Land Use Class	Description	Maximum Special Tax
1	DETACHED RESIDENTIAL PROPERTY (=> 5,700 SF)	\$[_____] per Dwelling Unit
2	DETACHED RESIDENTIAL PROPERTY (5,450 SF - 5,699 SF)	\$[_____] per Dwelling Unit
3	DETACHED RESIDENTIAL PROPERTY (5,200 SF - 5,449 SF)	\$[_____] per Dwelling Unit
4	DETACHED RESIDENTIAL PROPERTY (4,950 SF - 5,199 SF)	\$[_____] per Dwelling Unit
5	DETACHED RESIDENTIAL PROPERTY (4,700 SF - 4,949 SF)	\$[_____] per Dwelling Unit
6	DETACHED RESIDENTIAL PROPERTY (4,450 SF - 4,699 SF)	\$[_____] per Dwelling Unit
7	DETACHED RESIDENTIAL PROPERTY (4,200 SF - 4,449 SF)	\$[_____] per Dwelling Unit
8	DETACHED RESIDENTIAL PROPERTY (3,950 SF - 4,199 SF)	\$[_____] per Dwelling Unit
9	DETACHED RESIDENTIAL PROPERTY (3,700 SF - 3,949 SF)	\$[_____] per Dwelling Unit
10	DETACHED RESIDENTIAL PROPERTY (3,450 SF - 3,699 SF)	\$[_____] per Dwelling Unit
11	DETACHED RESIDENTIAL PROPERTY (3,200 SF - 3,449 SF)	\$[_____] per Dwelling Unit
12	DETACHED RESIDENTIAL PROPERTY (2,950 SF - 3,199 SF)	\$[_____] per Dwelling Unit
13	DETACHED RESIDENTIAL PROPERTY (2,700 SF - 2,949 SF)	\$[_____] per Dwelling Unit
14	DETACHED RESIDENTIAL PROPERTY (2,450 SF - 2,699 SF)	\$[_____] per Dwelling Unit
15	DETACHED RESIDENTIAL PROPERTY (2,200 SF - 2,449 SF)	\$[_____] per Dwelling Unit
16	DETACHED RESIDENTIAL PROPERTY (1,950 SF - 2,199 SF)	\$[_____] per Dwelling Unit
17	DETACHED RESIDENTIAL PROPERTY (1,700 SF - 1,949 SF)	\$[_____] per Dwelling Unit
18	DETACHED RESIDENTIAL PROPERTY (< 1,700 SF)	\$[_____] per Dwelling Unit
19	ATTACHED RESIDENTIAL PROPERTY (=> 2,600 SF)	\$[_____] per Dwelling Unit
20	ATTACHED RESIDENTIAL PROPERTY (2,400 SF - 2,599 SF)	\$[_____] per Dwelling Unit

Land Use Class	Description	Maximum Special Tax
21	ATTACHED RESIDENTIAL PROPERTY (2,200 SF – 2,399 SF)	\$[_____] per Dwelling Unit
22	ATTACHED RESIDENTIAL PROPERTY (2,000 SF – 2,199 SF)	\$[_____] per Dwelling Unit
23	ATTACHED RESIDENTIAL PROPERTY (1,800 SF – 1,999 SF)	\$[_____] per Dwelling Unit
24	ATTACHED RESIDENTIAL PROPERTY (1,600 SF – 1,799 SF)	\$[_____] per Dwelling Unit
25	ATTACHED RESIDENTIAL PROPERTY (1,400 SF – 1,599 SF)	\$[_____] per Dwelling Unit
26	ATTACHED RESIDENTIAL PROPERTY (1,200 SF – 1,399 SF)	\$[_____] per Dwelling Unit
27	ATTACHED RESIDENTIAL PROPERTY (1,000 SF – 1,199 SF)	\$[_____] per Dwelling Unit
28	ATTACHED RESIDENTIAL PROPERTY (800 SF – 999 SF)	\$[_____] per Dwelling Unit
29	ATTACHED RESIDENTIAL PROPERTY (< 800 SF)	\$[_____] per Dwelling Unit
30	AFFORDABLE HOUSING, MODERATE AFFORDABLE UNITS, AND MODERATE AFFORDABLE SENIOR UNITS	\$0 per Dwelling Unit
31	NON-RESIDENTIAL - COMMERCIAL PROPERTY	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater
32	NON-RESIDENTIAL– INDUSTRIAL PROPERTY	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater
33	NON-RESIDENTIAL– INSTITUTIONAL PROPERTY	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater
34	NON-RESIDENTIAL – OFFICE PROPERTY	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater
35	NON-RESIDENTIAL – AUTO CENTER	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater
36	OTHER NON-RESIDENTIAL PROPERTY	\$__per square foot of Non-Residential Floor Area or \$__per Acre, when applied, whichever is greater

2. Upon execution of the certificate by the City and CFD No. 2013-3 (IA No. 9), the City shall cause an amended notice of special tax lien for CFD No. 2013-3 (IA No. 9) to be recorded reflecting the modifications set forth herein.

By execution hereof, the undersigned acknowledges, on behalf of the County and CFD No. 2013-3 (IA No. 9), receipt of this certificate and modification of the Rate and Method of Apportionment as set forth in this certificate.

CITY OF IRVINE

By: _____
Director of Administrative Services

Date: _____

CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3

By: _____
CFD Administrator

Date: _____

EXHIBIT B

ANNUAL GUARANTEED AMOUNTS FOR CFD No. 2013-3

Fiscal Year	Amount
2017-2018	\$10,078,550
Each Fiscal Year Thereafter, Commencing in Fiscal Year 2018-2019	Increase Amount in Prior Fiscal Year by 3%.

CITY COUNCIL RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS THE LEGISLATIVE BODY OF CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK), DECLARING ITS INTENTION TO INCUR BONDED INDEBTEDNESS FOR IMPROVEMENT AREA NO. 9 OF THE CITY OF IRVINE COMMUNITY FACILITIES DISTRICT NO. 2013-3 (GREAT PARK)

WHEREAS, the City Council, as the legislative body of City of Irvine Community Facilities District No. 2013-3 (Great Park) (the "Community Facilities District"), has this date adopted its resolution entitled "A Resolution of Consideration and Intention of the City Council of the City of Irvine, California, as the Legislative Body of City of Irvine Community Facilities District No. 2013-3 (Great Park), to Change and Modify an Existing Improvement Area and Thereby Designate an Additional Improvement Area, Improvement Area No. 9, Within City of Irvine Community Facilities District No. 2013-3 (Great Park) and to Authorize the Levy of Special Taxes," ("Resolution of Intention") stating its intention to designate Improvement Area No. 9 (as described in the Resolution of Intention), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, for the purpose of financing the acquisition and/or construction of Facilities and Services (as such terms are defined in the Resolution of Intention), as further provided in said Resolution of Intention; and

WHEREAS, the City Council estimates the amount required for the acquisition and/or construction of the Facilities and Services in Improvement Area No. 9 to be the sum not to exceed Seventy Five Million Dollars (\$75,000,000); and

WHEREAS, in order to finance the Facilities and Services, it is necessary to incur bonded indebtedness within Improvement Area No. 9 in the amount of up to Seventy Five Million Dollars (\$75,000,000).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Irvine, as the Legislative Body of City of Irvine Community Facilities District No. 2013-3 (Great Park), as follows:

SECTION 1. It is necessary to incur bonded indebtedness within the boundaries of Improvement Area No. 9 of the Community Facilities District in the amount of up to Seventy Five Million Dollars (\$75,000,000) in order to finance the cost of the Facilities and Services.

SECTION 2. The bonded indebtedness is proposed to be incurred for the purpose of financing the cost of the Facilities, including acquisition and improvement

costs and all costs incidental to or connected with the accomplishment of said purposes, and of the financing thereof as permitted by Section 53345.3 of the Act.

SECTION 3. This City Council, acting as the legislative body of the Community Facilities District, intends to authorize the issuance and sale of bonds of Improvement Area No. 9, in one or more series, from time to time, in the maximum aggregate principal amount of not to exceed Seventy Five Million Dollars (\$75,000,000), bearing interest payable semi-annually or in such other manner as this City Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such series of bonds, and maturing not to exceed forty (40) years from the date of the issuance of said series bonds.

SECTION 4. On March 27, 2018, at 4:00 P.M., or soon thereafter as the City Council may reach the matter, in the City Council Chambers, One Civic Center Plaza, Irvine, California, this City Council shall conduct a public hearing on the proposed debt issuance, and will consider and finally determine whether the public interest, convenience and necessity require the proposed debt authorization for Improvement Area No. 9 of the Community Facilities District.

SECTION 5. The City Clerk is hereby directed to cause notice of said public hearing to be given by publication one time in a newspaper of general circulation, which is circulated within the area of Improvement Area No. 9. The publication of said notice shall be completed at least seven (7) days before the date herein set for said public hearing. Said notice shall be in the form set forth in Section 53346 of the Act. Notice shall also be mailed to each landowner.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

PASSED and ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 13th day of February, 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY MCLAUGHLIN, City Clerk of the City of Irvine HEREBY DO CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, held on the 13th day of February, 2018.

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

3.5



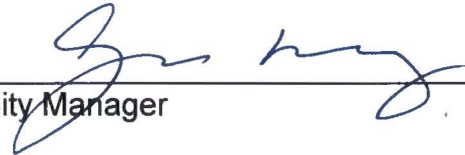
REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: NOTICE OF REVIEW AND PENDING APPROVAL FOR TRACT MAPS IN PORTOLA SPRINGS, IRVINE BUSINESS COMPLEX AND ORCHARD HILLS



Director of Public Works



City Manager

RECOMMENDED ACTION

Receive and file.

EXECUTIVE SUMMARY

The subject notice to the City Council is provided in accordance with City of Irvine Ordinance No. 07-12, notifying the City Council of one final tract map received for review by staff and two final tract maps pending approval by the City Engineer. Ordinance No. 07-12 delegates authority to the City Engineer for approval of final tract maps and requires notice to the City Council following receipt of such maps for review and again prior to approval/disapproval by the City Engineer. The subject notice satisfies this requirement. This is a ministerial matter and there is no discretionary action to be taken by the City Council. The tract maps covering property referenced in this staff report are located in Portola Springs, Irvine Business Complex and Orchard Hills (Attachment 1) and are available for public review in the Public Works department.

Tract Map No. 17838 (Portola Springs) is located near the intersection of Irvine Boulevard and Modjeska, as shown in Attachment 2. The map for this property contains the subdivision of 12 acres into 20 lots. The property is proposed for development of 90 condominiums. This development project is consistent with the Northern Sphere Area Final Environmental Impact Report, approved by City Council in June 2002, that considered area-wide impacts associated with the ultimate build-out for the corresponding planning area.

Tract Map No. 17942 (Irvine Business Complex) is located near the intersection of Gillette Avenue and Main Street as shown in Attachment 3. The map for this property contains the subdivision of a 6.01 acre parcel into 2 lots. The property is proposed for development of 137 three-story townhouse-style units with surface visitor parking and three private neighborhood parks. This development project is consistent with the Irvine Business Complex Environmental Impact Report approved by the City Council in July 2010 that considered area-wide impacts associated with the ultimate build out for the Irvine Business Complex.

Tract Map No. 18033 (Orchard Hills) is located near Portola Parkway and Orchard Hills Drive, as shown in Attachment 3. The map for this property contains the subdivision of 94.26 acres into 18 lots. The lots are proposed for private property landscape and open space purposes to be maintained by the adjacent homeowners association. This development project is consistent with the Northern Sphere Area Final Environmental Impact Report, approved by City Council in June 2002.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

Prior to City Engineer approval of a final tract map, the Planning Commission reviews and approves the corresponding tentative tract map based on consistency with the City's General Plan, Subdivision Ordinance and Zoning Code. The underlying tentative maps referenced in this staff report were approved by the Planning Commission as follows:

On August 3, 2017, the Planning Commission approved the underlying tentative map for Tract Map No. 17838 (Portola Springs) by a vote of 4-0-1 (Commissioners Bartlett, Kuo, Nirschl and Smith voting in favor; Commissioner Duong absent).

On February 18, 2016, the Planning Commission approved the underlying tentative map for Tract Map No. 17942 (Irvine Business Complex) by a vote of 5-0.

On September 4, 2014, the Planning Commission approved the underlying tentative map for Tract Map No. 18033 (Orchard Hills) by a vote of 3-2 (Commissioners Kuo, Schott and Smith voting in favor; Commissioners Gaido and Liss voting no).

ANALYSIS

The approval of tract maps is a multi-step process that assures development is reflective and compliant with the City's General Plan and with respective provisions of the City's development standards. City of Irvine Ordinance No. 07-12 authorizes the City Engineer to approve final tract maps if they substantially conform to the approved underlying tentative map and all applicable conditions of approval have been satisfied. The ordinance further requires staff to notify the City Council upon receipt of such maps for review and prior to approval/disapproval of a final tract map by the City Engineer. In addition, the State Subdivision Map Act requires the approval of final maps if the City Engineer has found that the final map substantially conforms to the underlying tentative map.

The final tract maps listed below have been received and are either under review for consistency with the applicable City standards and corresponding Planning Commission tentative tract map conditions of approval or have been reviewed and are pending the City Engineer's final approval. Following approval and a 15-day appeal period, the maps will be released for recordation. Recordation of the maps is required prior to the issuance of building permits.

Submitted by	Tract Map No.	No. of Lots	Location	Status
California Pacific Homes	17838	20-lot map	Irvine Boulevard and Modjeska (Portola Springs)	Pending Approval
GL Gillette Holdings VII, LLC	17942	2-lot map	Gillette Avenue and Main Street (Irvine Business Complex)	Pending Approval
Irvine Community Development Company, LLC	18033	18-lot map	Portola Parkway and Orchard Hills (Orchard Hills)	Under Review

ALTERNATIVES CONSIDERED

An alternative to this notification was not considered. Pursuant to the State Subdivision Map Act and City of Irvine Ordinance 07-12, when approval authority of tract maps is delegated to the City Engineer, notification to the City Council of receipt and approval of such maps is required.

FINANCIAL IMPACT

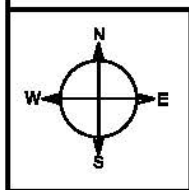
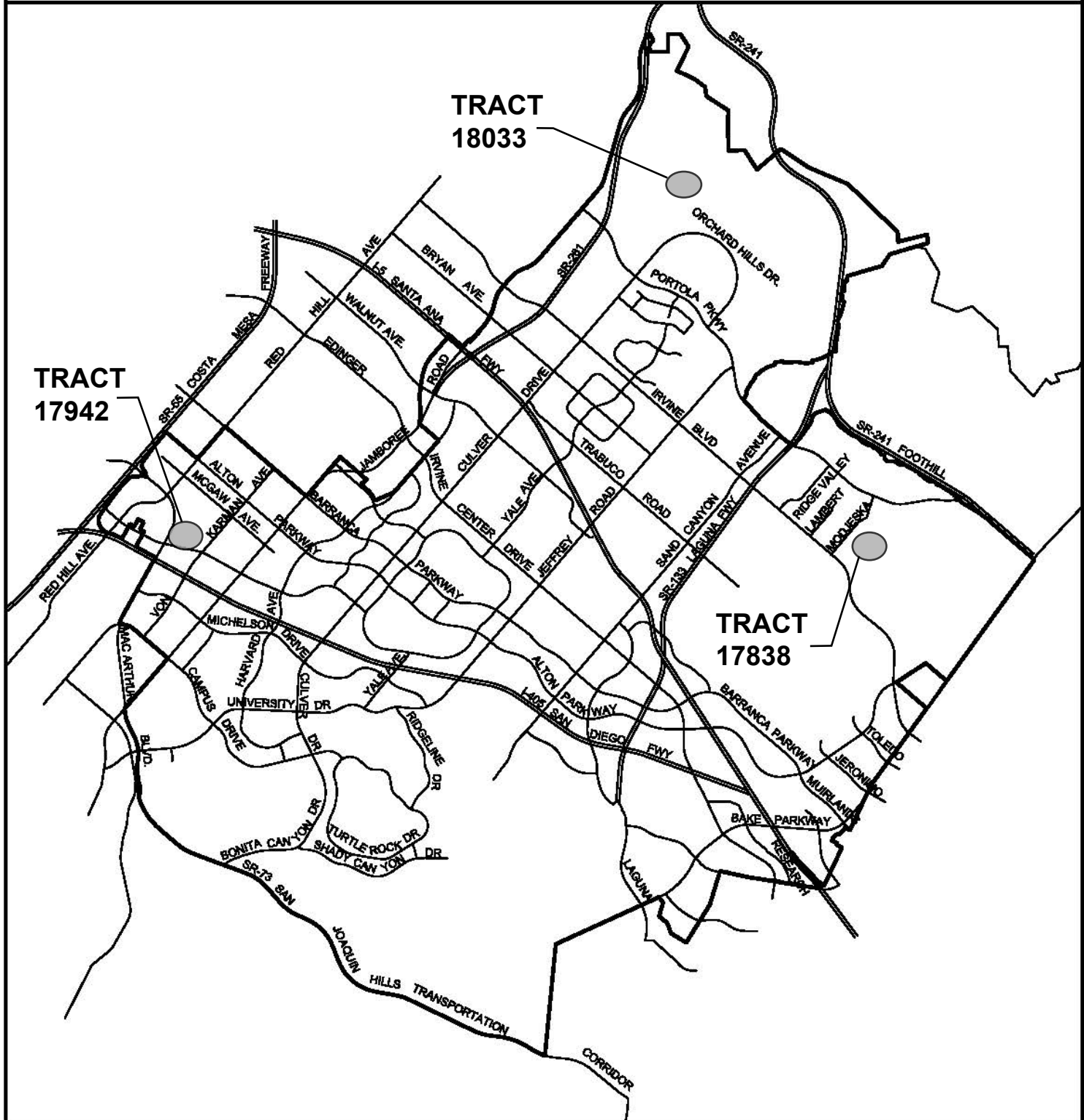
The administrative cost to the City for processing the maps is offset by developer fees paid by the applicant submitting the maps.

REPORT PREPARED BY Stacy DeLong, Associate Engineer

ATTACHMENTS

1. Vicinity Map
2. Site Map – Tract 17838 (Portola Springs)
3. Site Map – Tract 17942 (Irvine Business Complex)
4. Site Map – Tract 18033 (Orchard Hills)

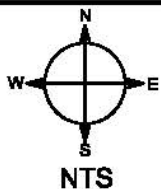
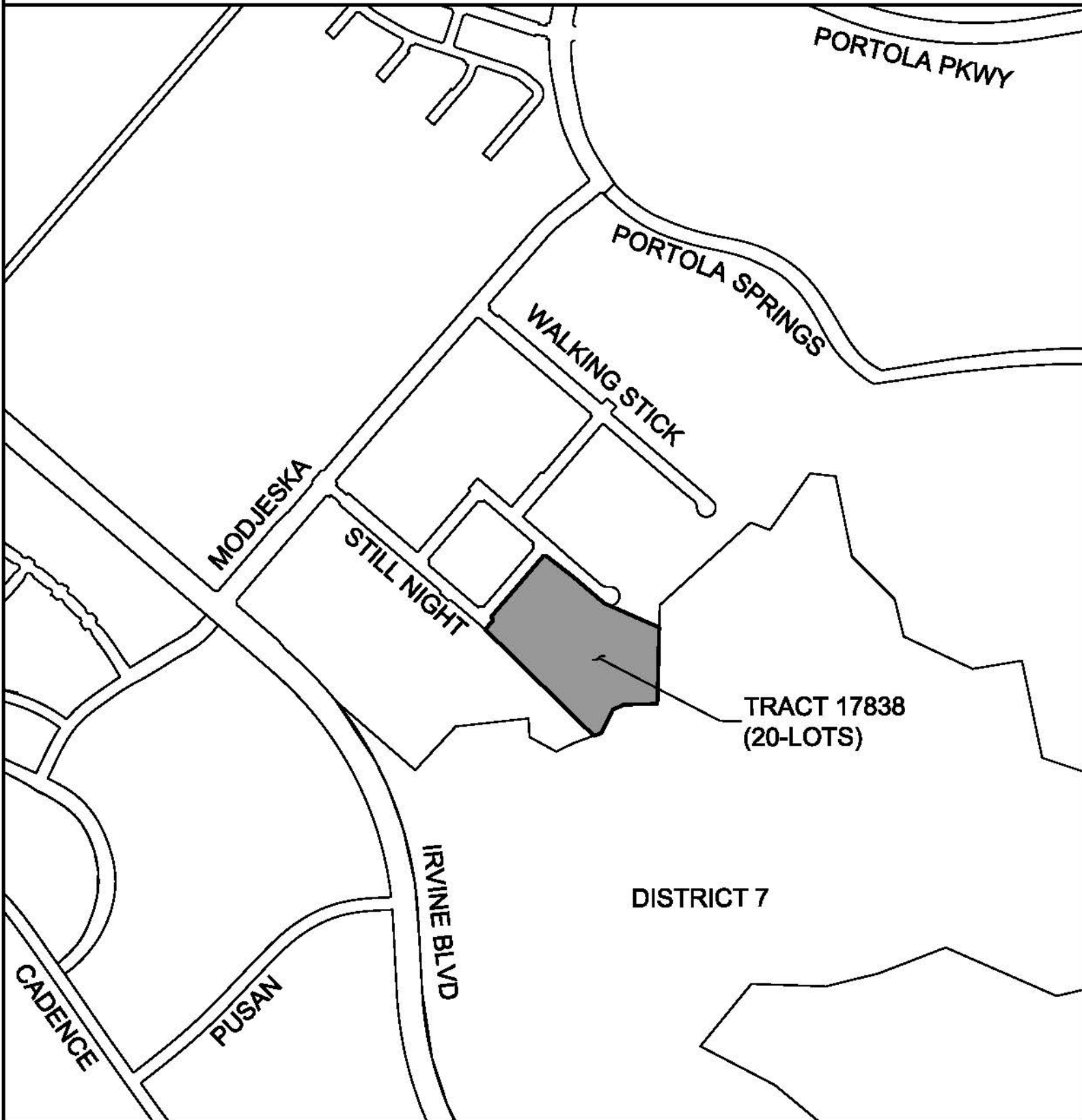
FINAL TRACT MAP Nos. 17838, 17942 AND 18033



VICINITY MAP



FINAL TRACT MAP No. 17838
PORTOLA SPRINGS

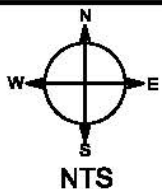
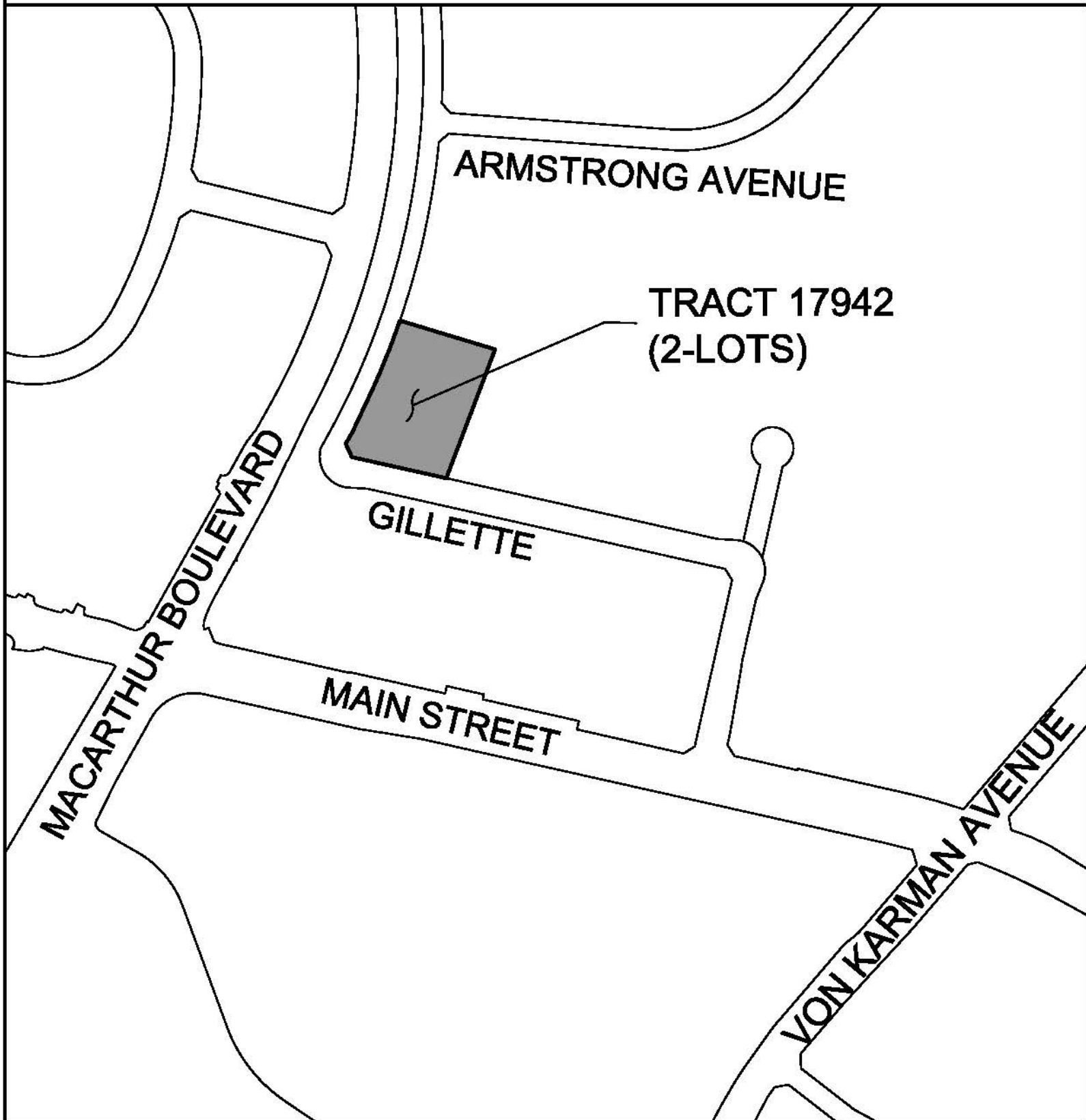


SITE MAP



ATTACHMENT 2

FINAL TRACT MAP No. 17942
IRVINE BUSINESS COMPLEX

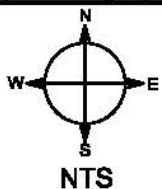
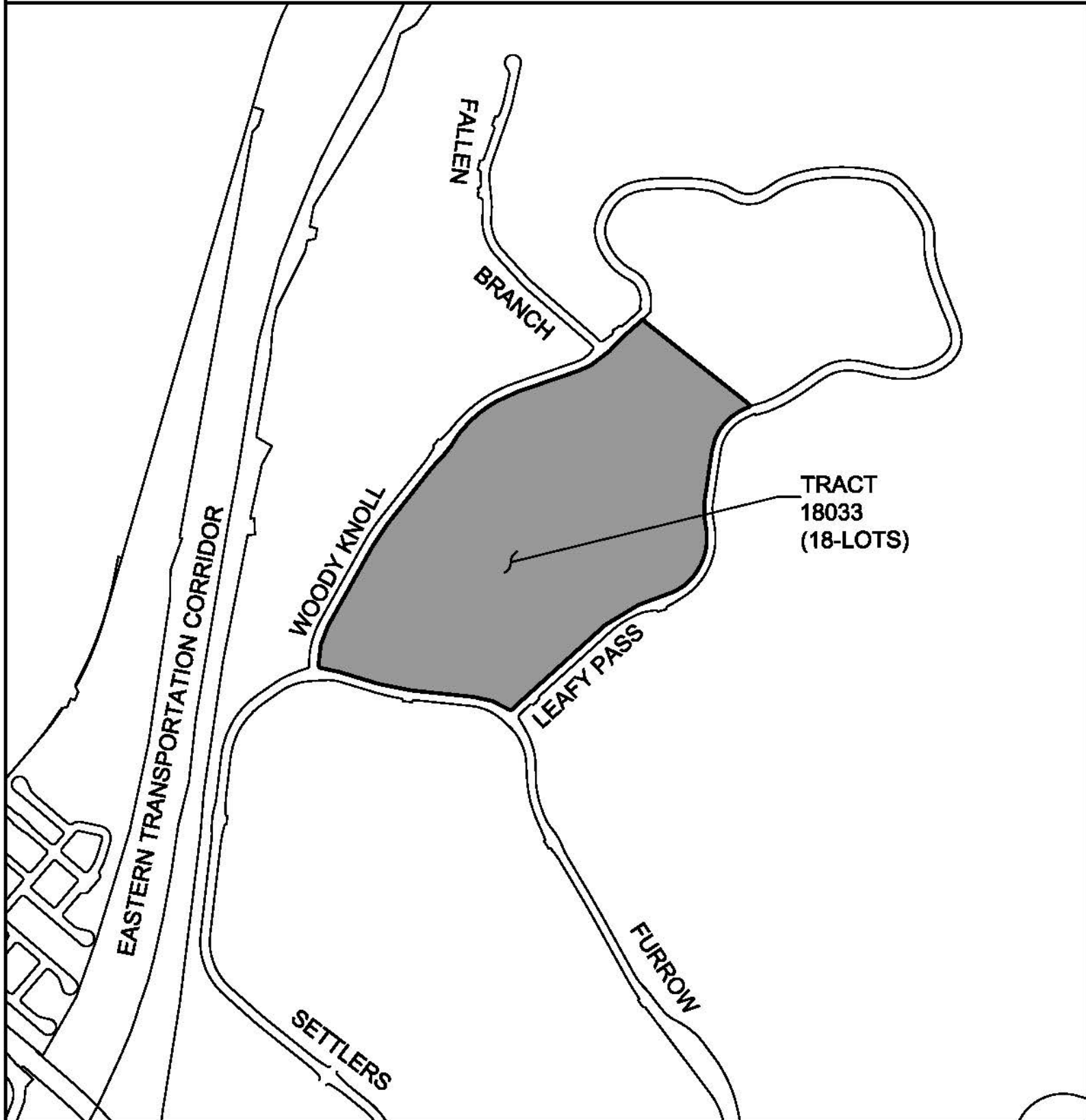


SITE MAP

ATTACHMENT 3



FINAL TRACT MAP No. 18033 ORCHARD HILLS



SITE MAP



ATTACHMENT 4

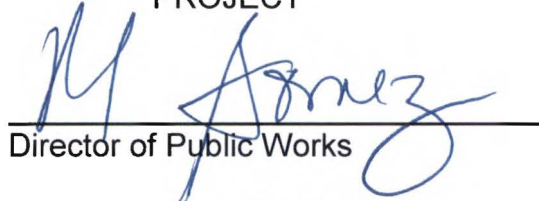
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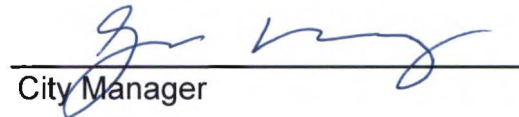


REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: UNIVERSITY DRIVE/RIDGELINE DRIVE INTERSECTION IMPROVEMENT PROJECT


Director of Public Works


City Manager

RECOMMENDED ACTION

Authorize staff to initiate the right-of-way acquisition of necessary construction and roadway easements for the University Drive/Ridgeline Drive Intersection Improvement Project.

EXECUTIVE SUMMARY

The proposed intersection widening at University Drive and Ridgeline Drive/Rosa Drew Lane is one of several traffic capital projects approved by the City Council to address its commitment to traffic management and reducing traffic congestion on major roadways in the City. The proposed improvements will widen University Drive and Ridgeline Drive adjacent to Mason Regional Park to accommodate the addition of new travel lanes.

Construction plans for the subject project are substantially complete and staff is prepared to proceed with the right-of-way acquisition process. Construction is anticipated to begin mid-2019 upon completion of the right-of-way process.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

Not applicable.

ANALYSIS

The proposed project provides additional travel lanes to enhance roadway capacity to address existing traffic congestion and forecasted traffic volumes at the University Drive and Ridgeline Drive intersection. The proposed scope of work includes widening the intersection to add a new eastbound through lane on University Drive, lengthen the westbound dual left turn pocket to accommodate additional vehicle capacity, and provide a new additional northbound right-turn lane (dual right-turn lane) on Ridgeline Drive (Attachment 2). The project scope will also provide rehabilitation of the existing roadway pavement, relocation of sidewalks and access ramps, modification of drainage systems and upgrade of traffic signals with enhanced vehicle and bicycle video detection technology to assist with improved signal timing along the corridor.

The intersection widening requires acquisition of permanent roadway and temporary construction easements from the County of Orange (Mason Regional Park) on the southwest and southeast corners of the intersection as depicted in Attachment 3. The easements are necessary to accommodate the new traffic lanes, relocated sidewalks, access ramps and improved drainage system. The recommended action will allow staff to initiate the right-of-way acquisition process.

ENVIRONMENTAL REVIEW

The City Council previously adopted Resolution No. 16-71 approving the University Ridgeline/Rosa Drew Lane Intersection Improvement Project Report and certifying the accompanying Mitigated Negative Declaration (MND), in accordance with CEQA Guidelines, 14 CCR Section 15000 et seq. All mitigation measures required by the MND have been incorporated in the proposed project construction plans and specifications.

ALTERNATIVES CONSIDERED

The City Council could direct staff to modify or add project features to the proposed project scope or could direct staff to defer the project to a future date. Deferring the project is not recommended because the proposed improvements will improve traffic circulation through this intersection.

FINANCIAL IMPACT

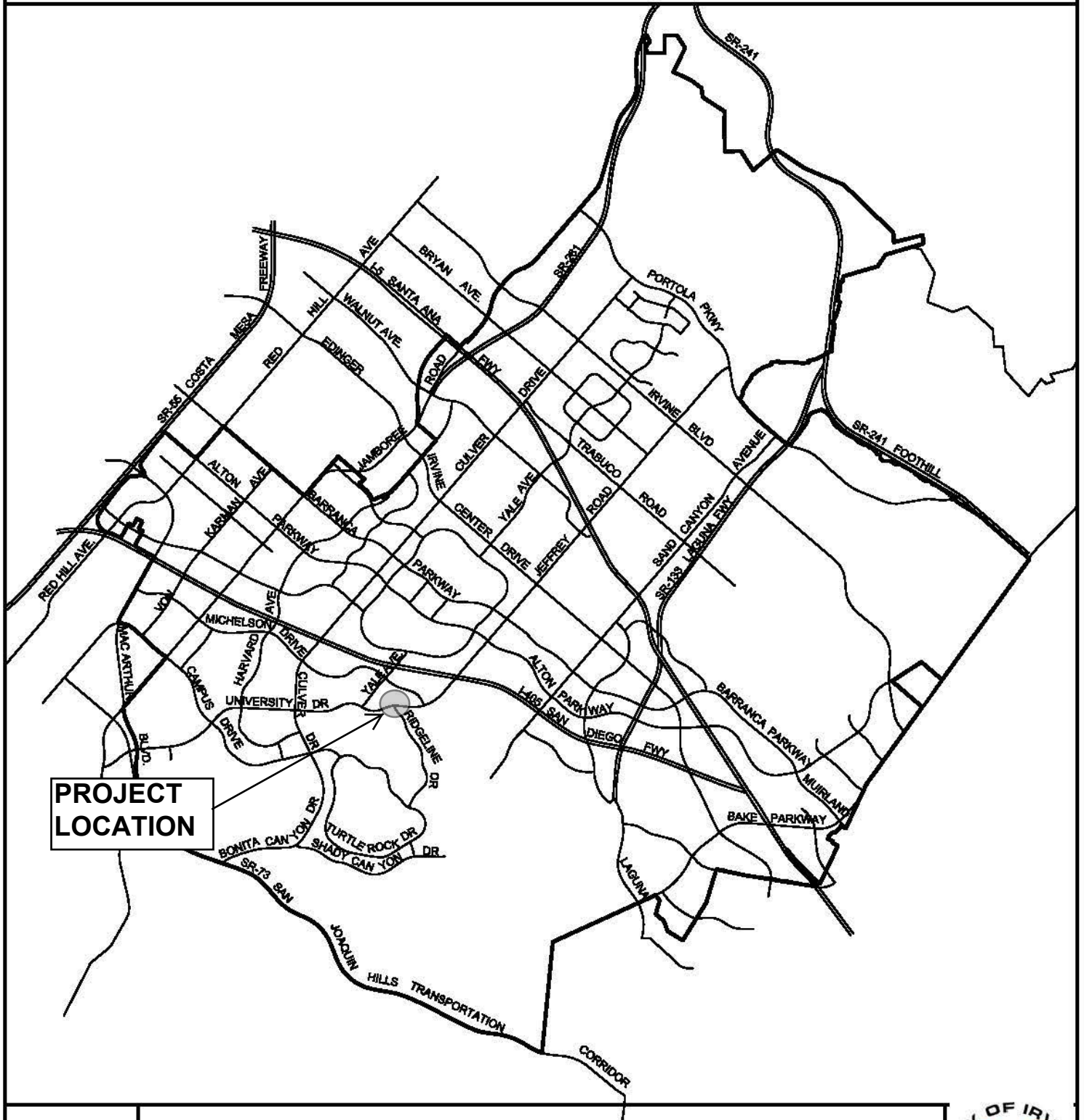
The preliminary cost estimate for all project phases is \$3.5 million. Project expenditures to date total \$503,000 for preliminary engineering and preparation of construction plans. A budget allocation of \$155,000 is available for the project right-of-way phase. The engineer's estimate for the construction phase is \$2.84 million. Funding for the construction phase is anticipated to be available from City capital infrastructure funds and will be presented for City Council consideration with the Fiscal Year 2018-19 CIP budget recommendations.

REPORT PREPARED BY Uyenly Bui, P.E., Senior Civil Engineer

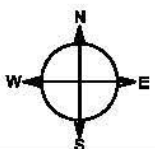
ATTACHMENTS

1. Vicinity Map
2. University/Ridgeline Proposed Widening Exhibit
3. University/Ridgeline Right-of-Way Exhibit

University / Ridgeline Intersection Improvement Project



PROJECT
LOCATION

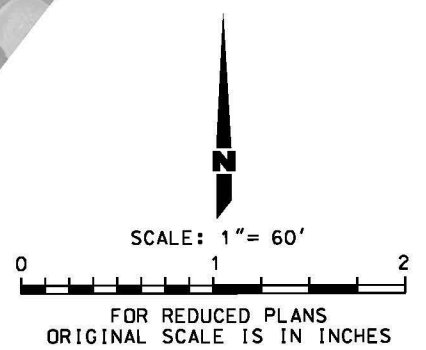
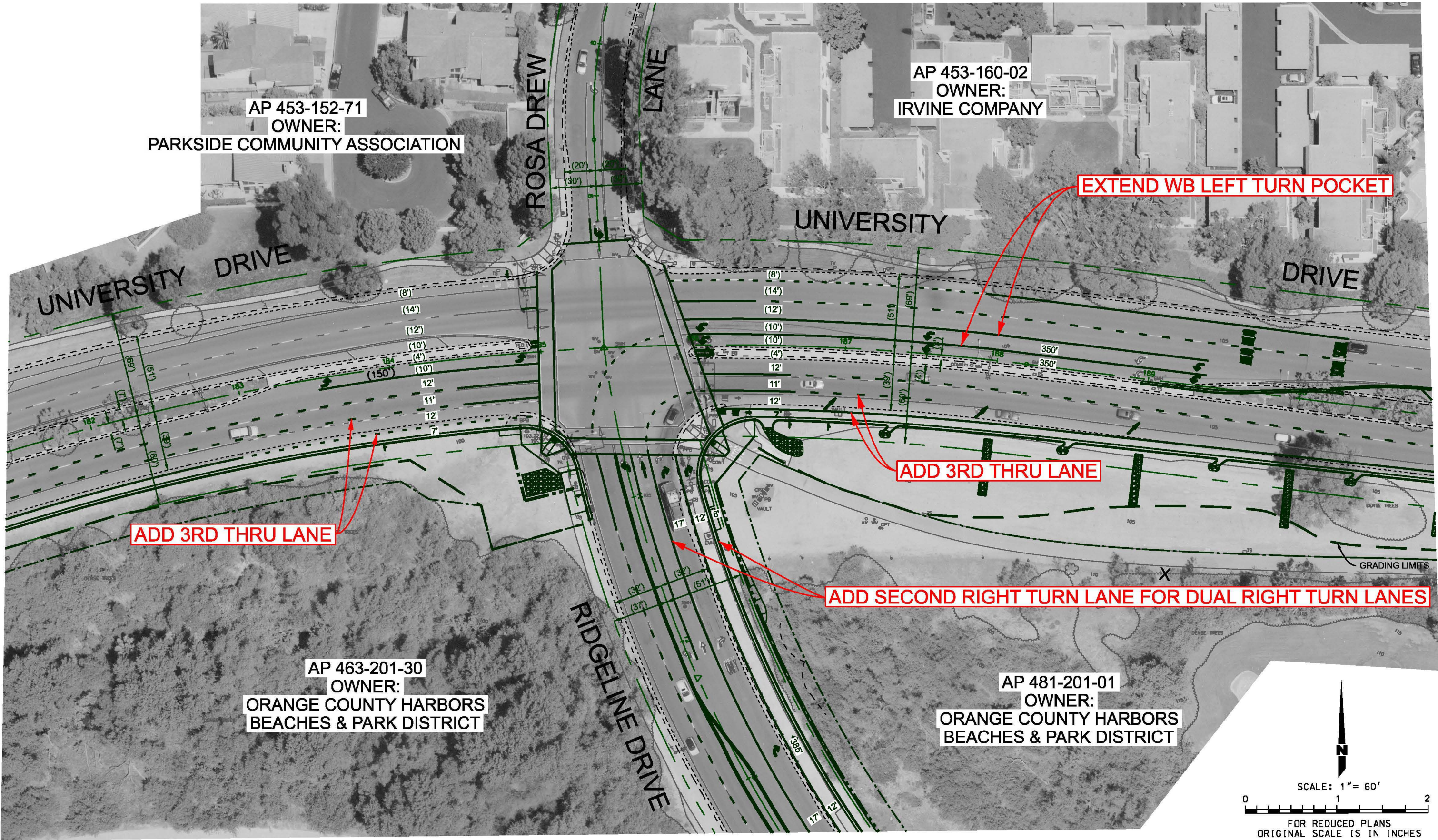


VICINITY MAP

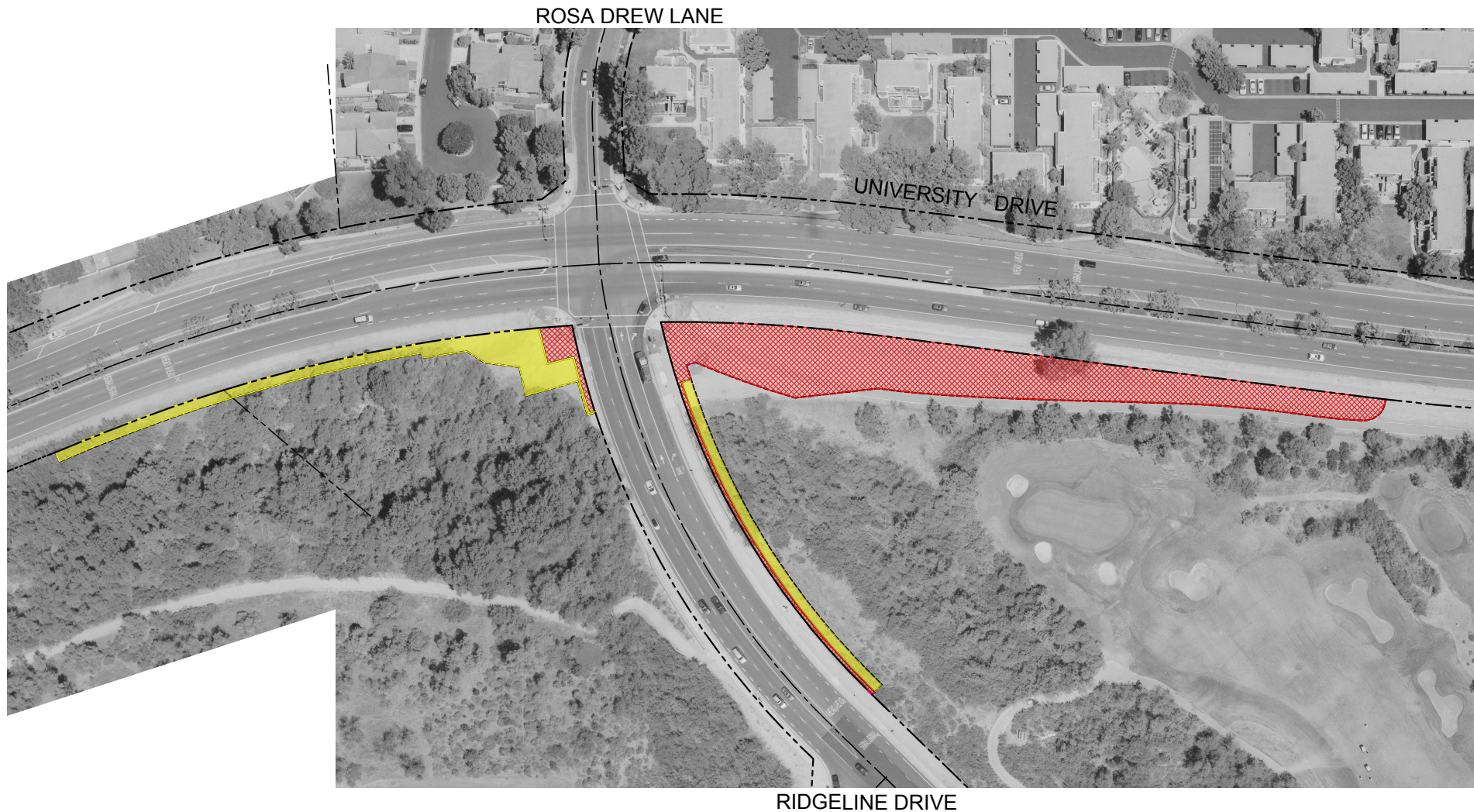


UNIVERSITY DRIVE AND RIDGELINE DRIVE / ROSA DREW LANE INTERSECTION IMPROVEMENT PROJECT

ATTACHMENT 2



PROPOSED CONDITIONS



SCALE: 1" = 150'

LEGEND

- ROADWAY EASEMENT
- TEMPORARY CONSTRUCTION EASEMENT

7						
6						
5						
4						
3						
2						
1						
NO.	DATE	REVISIONS	ENGR.	APPROV.	DATE	

DESIGNED BY: JG	DATE: 8/8/2017
CHECKED BY: BJ	DATE: 8/8/2017
CHECKED BY: HK	DATE: 8/8/2017

K&C CONSULTING GROUP 320 MAIN STREET UNIT D SEAL BEACH, CA 90740 714-656-0160
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UNIVERSITY / RIDGELINE
 INTERSECTION IMPROVEMENTS
 RIGHT-OF-WAY ACQUISITION EXHIBIT
CITY OF IRVINE
 PUBLIC WORKS DEPARTMENT

PLAN CHECK NO.
CIP NO. 311504
SHEET 1
OF 1

3.7



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: ACCEPTANCE OF MOBILE SOURCE AIR POLLUTION REDUCTION
REVIEW COMMITTEE LOCAL GOVERNMENT PARTNERSHIP
PROGRAM FUNDS FOR ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE AND/OR PURCHASE OF ZERO EMISSION
VEHICLE(S) FOR TRANSIT USE



Director of Transportation



City Manager

RECOMMENDED ACTION

Adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING THE ACCEPTANCE OF MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE LOCAL GOVERNMENT PARTNERSHIP PROGRAM FUNDS FOR ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND/OR PURCHASE OF ZERO EMISSION VEHICLE(S) FOR TRANSIT USE

EXECUTIVE SUMMARY

The Mobile Source Air Pollution Reduction Review Committee (MSRC) recently approved \$21 million for cities and counties within the South Coast Air Quality Management District (SCAQMD) to invest in local clean vehicle, fuel and transportation projects through its new Local Government Partnership Program (Program). The MSRC Program has identified \$330,490 available to the City of Irvine. This Program funding will pay 75 percent of installation costs for public electric vehicle (EV) charging stations and up to \$100,000 per qualifying zero emission transit vehicle.

In response to interest from the public for access to EV charging stations, staff proposes to use the MSRC Program funds for the design and installation of EV charging stations at the Irvine Civic Center and the Irvine Train Station. In addition, it is recommended that the City use any remaining Program funds for the acquisition of zero emission transit vehicles or services.

The MSRC Program guidelines require City Council approval to receive the grant funds. The recommended resolution satisfies this requirement.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

On January 16, 2018, the Transportation Commission voted 5-0 to recommend that the City Council adopt a resolution approving the acceptance of MSRC local government

partnership program funds for electric vehicle charging infrastructure and/or purchase of zero emission vehicle(s) for transit use.

The Green Ribbon Environmental Committee (Committee) met on November 27, 2017 to review the Committee's policy objectives. At this meeting, the Committee discussed and approved a policy objective focusing on support for the community-wide roll-out of EV infrastructure and pursuing funding opportunities to install EV charging stations. Although the Committee discussion did not cover the use of specific funds, the staff-recommended action supports this policy objective.

ANALYSIS

The MSRC manages programming and funds from the AB 2766 Discretionary Fund and recently approved \$21 million for cities and counties within SCAQMD to invest in clean vehicle, fuel and transportation projects through its new Local Government Partnership Program. Program funds may be used for projects that include installation of EV charging units and zero-emission, or near-zero emission alternative fuel vehicles, and engine re-powers.

The City's pro-rata share of the Program funds is \$330,490. These funds are reserved for City projects that meet the program guidelines. To receive the fund allocation, MSRC requires authorization from City Council to accept the funds as outlined in the attached resolution (Attachment 1) and presentation to the City Council of the MSRC information slides provided in Attachment 2. The deadline to submit the City Council approval to complete the funding request is March 2, 2018.

In recent years, community members have expressed increased interest in publicly available EV charging stations. Staff proposes that Program funds be used for the design and installation of EV charging stations at the Irvine Civic Center and the Irvine Train Station. In addition, it is recommended that any remaining Program funds be evaluated for the potential acquisition of zero emission transit vehicles or services.

City Council approval of the recommended action will allow the City to accept the Program funds for EV charging infrastructure. If adequate funds remain to purchase zero emission vehicle(s), staff will return to City Council to receive authorization to solicit bids for this acquisition.

ALTERNATIVES CONSIDERED

The City Council could choose not to approve the recommended action. This is not recommended because the City would relinquish \$330,490 in grant funds available to install EV charging stations and purchase low emission vehicles.

FINANCIAL IMPACT

Adoption of the resolution will allow the City to accept \$330,490 in MSRC Program funds. These grant funds would be included for allocation by the City Council with the

Fiscal Year 2018-19 CIP budget for EV infrastructure. The remaining funding required by the grant program (City match of 25 percent) is anticipated to be available from the City's annual AB 2766 funds. The City will have five years to complete the project(s) using the \$330,490 in MSRC Program funds.

REPORT PREPARED BY Mike Davis, Transit Program Administrator

ATTACHMENTS

1. Resolution
2. MSRC Clean Transportation Funding Slide Presentation

CITY COUNCIL RESOLUTION NO. 18-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
IRVINE, CALIFORNIA, APPROVING THE ACCEPTANCE
OF MOBILE SOURCE AIR POLLUTION REDUCTION
REVIEW COMMITTEE LOCAL GOVERNMENT
PARTNERSHIP PROGRAM FUNDS FOR ELECTRIC
VEHICLE CHARGING INFRASTRUCTURE AND/OR
PURCHASE OF ZERO EMISSION VEHICLE(S) FOR
TRANSIT USE

WHEREAS, the Mobile Source Air Pollution Reduction Review Committee (MSRC) approved funding for cities and counties within the South Coast Air Quality Management District to invest in local clean vehicle, fuel, and transportation projects through its new Local Government Partnership Program (Program); and

WHEREAS, the population-based share of Program funding for the City of Irvine is \$330,490; and

WHEREAS, this Program funding is available for purchase of electric vehicle charging infrastructure installation or purchase of zero emission vehicles; and

WHEREAS, this Program funding will contribute 75 percent of the cost of publicly accessible electric vehicle charging infrastructure installation costs; and

WHEREAS, this Program funding can be used for zero emission transit vehicle purchases.

NOW, THEREFORE, the City Council of the City of Irvine, California DOES HEREBY RESOLVE as follows:

SECTION 1. The City of Irvine hereby acknowledges receipt of the MSRC-supplied presentation.

SECTION 2. The City of Irvine hereby authorizes the Director of Transportation, identified as the official representative of the City of Irvine, to receive the Program funding and proceed with the proposed project(s)

SECTION 3. The City of Irvine agrees to allocate its share of approved project costs utilizing AB2766 or other funds as match.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the 13th day of February, 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY MCLAUGHLIN, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine held on the ____ day of _____ 2018.

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE



LOCAL GOVERNMENT PARTNERSHIP PROGRAM

A Funding Opportunity to Improve Air Quality
in Your Community

Mobile Source Air Pollution Reduction Review Committee, aka “The MSRC”

- The MSRC was Established by the California Legislature in 1990
- Sole Mission is to Invest Funds to Reduce Air Pollution Generated by Mobile Sources (i.e., cars, trucks, buses, etc.)
 - ⇒ *Funds Generated by Surcharge on Motor Vehicle Registrations*
- The MSRC Works Closely with the South Coast Air Quality Management District; However, the MSRC is NOT a Regulatory Agency
 - ⇒ *The MSRC Invests in Clean Air Projects that Support SCAQMD Objectives & Priorities*

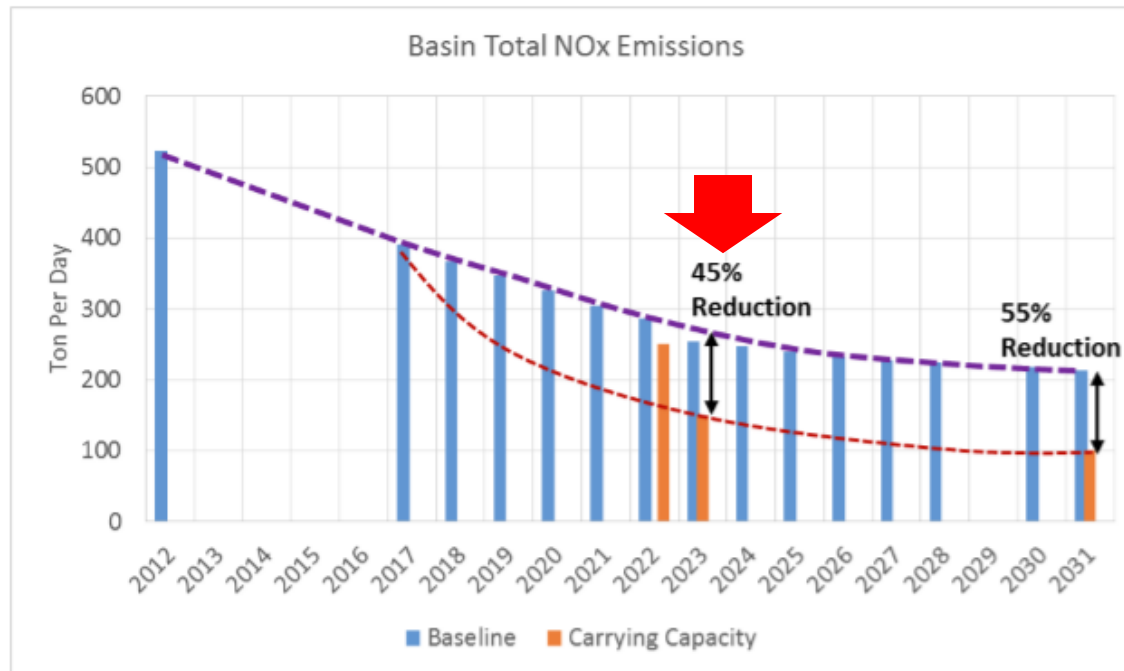
SIGNIFICANT AIR QUALITY CHALLENGES IN OUR REGION...

Standard	Concentration	Classification	Latest Attainment Year
2008 8-hour Ozone	75 ppb	Extreme	2031
2012 Annual PM2.5	12 µg/m ³	Moderate	2021
		Serious	2025
2006 24-hour PM2.5	35 µg/m ³	Serious	2019
1997 8-hour Ozone	80 ppb	Extreme	2023
1979 1-hour Ozone	120 ppb	Extreme	2022

■ ACCORDING TO THE SOUTH COAST AQMD...

- South Coast Region is EXTREME NON-ATTAINMENT for OZONE
- Ozone Causes RESPIRTORY AILMENTS and is a Primary Component of **SMOG**

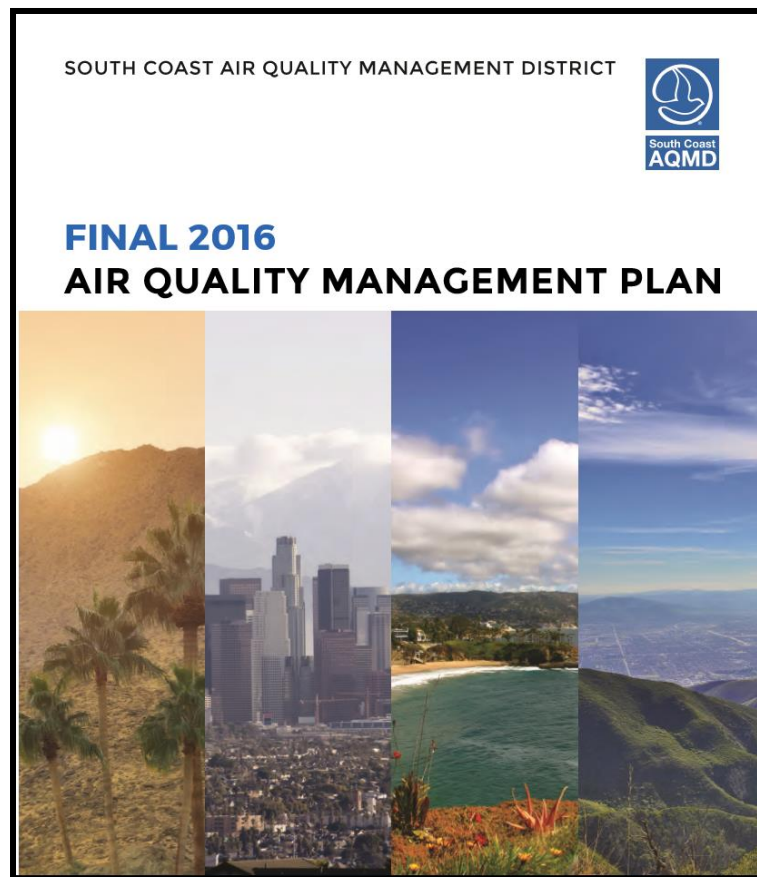
MANDATORY AIR POLLUTION REDUCTIONS ARE NEEDED NOW...



- **NOx** is a Precursor to Ozone (SMOG) Formation...
- *From Today's Levels – NOx Emissions Need to be Reduced 45% by 2023 – That's Only a Few Years Away...*

HOW DO WE REDUCE NO_x EMISSIONS BY 45%?

By Implementing the
Clean Air Measures
Outlined in the South Coast
AQMD's 2016 Air Quality
Management Plan



- **The AQMP is the Roadmap for How to Meet Our Mandated Clean Air Obligations**

THE MSRC IS PARTNERING WITH THE SOUTH COAST AQMD AND WANTS TO PARTNER WITH YOU...

...To Implement High Priority AQMP Strategies

- ✓ AQMP includes Traditional Regulatory Measures & Incentive-based Strategies
- ✓ Incentive-Based Programs will Accelerate the Introduction of Key AQMP Technologies including Zero & Near-Zero Emission Vehicles

The MSRC Has Reserved Incentive Funding for Your Jurisdiction under the Local Government Partnership Program

**This is a great opportunity to receive funding to
implement projects your jurisdiction needs to be
part of our clean air future**

Participation is 100% voluntary

Funding is already reserved for your jurisdiction

**Please ask your staff to work with the MSRC to
develop projects that jumpstart implementation of
the AQMP & help improve air quality for all
residents**


3.8



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: IRVINE STATION BICYCLE LOCKER FEE CHANGE PILOT PROGRAM



Director of Transportation



City Manager

RECOMMENDED ACTION

Adopt the Irvine Station Bicycle Locker Pilot Program and revised fee structure.

EXECUTIVE SUMMARY

The City provides 54 bicycle lockers at the Irvine Station to encourage transit commuters to bike the “final mile” of their commute. To improve the utilization of the lockers, staff proposes a pilot program to increase turnover and encourage the use of the lockers for active bicycle commuters. Historically, users pay a \$75 one-time refundable deposit to lease a locker for an indefinite period of time with no ongoing fees or charges. Staff recommends that the City update the fee structure, reducing the initial deposit to \$50 and implementing a \$30 semi-annual fee structure (\$5 per month). Staff conducted research on standard practices and surveyed current and waitlisted bicycle locker users to develop pilot program guidelines. The purpose of this proposed change is to encourage bicycle commuting and make use of the lockers as storage of bicycles and other equipment less attractive. This also creates opportunities for commuters on the waitlist to use the lockers for their “first mile/last mile” transportation needs.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

On February 5, 2018, the Finance Commission voted 5-0 to recommend that the City Council adopt the Irvine Station Bicycle Locker Pilot Program and revised fee structure.

On January 16, 2018, the Transportation Commission voted 5-0 to recommend that the City Council adopt the Irvine Station Bicycle Locker Pilot Program and revised fee structure.

ANALYSIS

The City maintains 54 bicycle lockers at the Irvine Station to encourage transit commuters to complete the “final mile” of their commute by bicycle. Current users are charged a \$75 one-time deposit which is refunded if the locker is left clean, undamaged, and the key is returned. The deposit may also be used for locksmith services if a key is lost. The existing rental term is for an indefinite period of time.

All 54 available lockers are currently leased, and there is a waitlist of 28 people. Staff conducted an inspection of the lockers and found that nearly half of the users are not

actively using the lockers for regular commuting. Locker inspection identified many bikes have flat tires and are covered in dust and cobwebs, indicating that they are likely used for storage and not commuting. Several of these users have held lockers for more than nine years and staff has been unsuccessful in contacting the registered user.

Staff sent a questionnaire to current locker users and waitlist individuals who provided contact information, asking about frequency of bicycle commuting, willingness to pay a user fee, and acceptable fee amounts. The results are summarized in Table 1.

TABLE 1 Locker Use Survey Results		
	Current Users	Waitlist Individuals
Survey sent to:	41	23
Responses received from:	19	15
Questions:	Responses	
Would you commute more than twice per week using your bicycle if provided a locker?	63% - Yes	100% - Yes
Would you be willing to pay a user fee?	68% - Yes	100% - Yes
How much would you be willing to pay annually? (Average of responses)	\$55	\$85

As shown, waitlist individuals stated they would be willing to pay more for a locker and would utilize their bicycle more frequently than current locker users.

A survey of bike locker fees at eight Orange County commuter train stations was conducted and summarized in Table 2. The survey found that the average user fees is \$102 annually and the average initial deposit is \$65.

TABLE 2 Locker Fee Survey Results				
Location	Monthly Charge	Annual Charge	Deposit	Agreement Period
Anaheim	\$7.83	\$94	\$60	Unlimited
Anaheim Canyon	\$5	\$60	\$60	Unlimited
Buena Park	\$10	\$120		6 Month Renewal
Fullerton			\$80	6 Month Renewal
Irvine (current)			\$75	Unlimited
Laguna Niguel	\$5	\$60	\$50	Unlimited
Orange			\$50	Annual Renewal
Santa Ana	\$8.16	\$97.92	\$81.45	Annual Renewal
Tustin	\$15	\$180		3 Month Renewal
Average	\$8.50	\$102	\$55	
City of Irvine - Proposed	\$5	\$60	\$50	6 Month Renewal

Staff recommends that the initial deposit of \$75 be reduced to \$50 and a semi-annual user fee of \$30 instituted for ongoing use of bicycle lockers. Current users who have paid the \$75 deposit would be given a \$25 credit that can be applied to the initial user fee for the first six months. Staff will monitor locker use and collect user feedback, making adjustments to the program to increase utilization. If regular commuter use increases and the program is well-utilized, staff will return to City Council to confirm the fee changes and incorporate the bicycle locker fees as part of the Citywide Master Fee Schedule update. If approved by City Council, the pilot program will be implemented beginning June 1, 2018.

ALTERNATIVES CONSIDERED

The City Council could choose not to adopt the Pilot Program and revised fee structure. The City Council could also direct staff to evaluate other elements and fee structures to address the ongoing bicycle storage and commuter waitlist concerns.

FINANCIAL IMPACT

The proposed implementation of a semi-annual user fee is expected to result in \$3,240 in annual revenue. In addition to the \$50 deposit, the City will reserve an additional \$25 per locker to cover new user re-keying. Remaining funds are proposed to be used for enhancements to commuter bicycle facilities.

Proposed fees will be charged semi-annually on selected dates. Rates will be prorated according to the start date for new users.

REPORT PREPARED BY Mike Davis, Transit Program Administrator

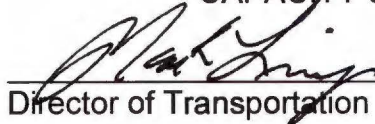
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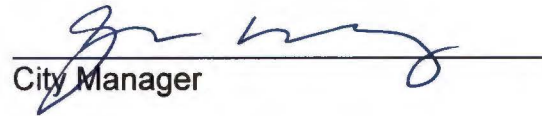
REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: ISHUTTLE INTERIM VEHICLE PROCUREMENT TO ADDRESS
CAPACITY SHORTAGE



Director of Transportation



City Manager

RECOMMENDED ACTIONS

1. Approve the acquisition of five used 29-passenger compressed natural gas buses to augment iShuttle service.
2. Authorize the Director of Transportation to execute Memorandum(s) of Understanding, as necessary, to facilitate interim transit services with Orange County Transportation Authority (OCTA) to operate the acquired vehicles.

EXECUTIVE SUMMARY

In September 2017, OCTA instituted a "No-Standing" policy, in accordance with manufacturer recommendations, on all vehicles of a specific type, including iShuttle vehicles. This unexpected policy change resulted in a capacity shortfall during iShuttle peak commute times. In response to City requests, OCTA has dispatched, when available, a van to provide service to stranded passengers as a short-term solution.

Several of the vehicles in the iShuttle fleet have reached the end of the manufacturer's projected useful life and the longer term solution is to replace these vehicles with larger capacity vehicles. OCTA is tasked with procurement of replacement vehicles on behalf of the City using Proposition 116 Replacement Funds (Prop 116 Funds). Once a capital plan has been established and agreed to, it takes 15 to 18 months for vehicles to begin service.

To address the capacity shortage in the interim, it is recommended that the City procure five used 29-passenger vehicles to address immediate service needs.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

On February 5, 2018, the Finance Commission voted 5-0 to recommend City Council approve the acquisition of five used 29-passenger compressed natural gas buses to augment iShuttle service and to recommend City Council authorize the Director of Transportation to execute Memorandum(s) of Understanding, as necessary, to facilitate interim transit services with OCTA to operate the acquired vehicles.

On January 16, 2018, the Transportation Commission voted 5-0 to recommend City Council approve the acquisition of five used 29-passenger compressed natural gas buses to augment iShuttle service and to recommend City Council authorize the Director of Transportation to execute Memorandum(s) of Understanding, as necessary, to facilitate interim transit services with OCTA to operate the acquired vehicles.

ANALYSIS

In September 2017, OCTA, the City's contracted operator of iShuttle services, instituted a "No-Standing" policy for the specific type of vehicles used for iShuttle service. Under this new policy, all passengers are required to be seated while the shuttle vehicle is in motion and passengers are prohibited from standing in the aisle of the vehicle during shuttle trips. Due to this reduction in capacity, iShuttle demand now intermittently exceeds capacity during peak commuting hours. A number of iShuttle riders are regularly left behind at the Metrolink stations or not picked up at stops, resulting in late arrivals to work or missing trains home. City staff have been working with OCTA to address the capacity shortage. OCTA has temporarily implemented supplemental van service, when available, to pick up riders left behind on high volume trips. OCTA has informed the City that this is not sustainable and has stated that it does not have the resources to place additional vehicles and drivers on the impacted routes.

The iShuttle fleet consists of 17 vehicles, 12 with a 20-passenger capacity. These 12 vehicles are ready for replacement as they have reached the end of the manufacturer's projected useful life. The Proposition 116 Replacement Funds-Letter Agreement No. 7 (Attachment 1) established OCTA as the full-service provider of iShuttle services. As part of this service, OCTA has responsibility to annually provide the City a capital plan consisting of estimated costs and a schedule of vehicle replacement and to procure appropriate replacement vehicles to maintain iShuttle services. The City expects to receive updated information on these plans and schedules within 30 days. It is estimated that when OCTA begins the procurement process, it will take 15 to 18 months for new vehicles to be ordered, delivered, inspected, tested, and available for passenger service.

On December 13, 2017, staff met with OCTA and City funding partners to identify solutions to the capacity shortage. OCTA reiterated its lack of resources to address the service issue and suggested that the City investigate procurement of larger capacity vehicles. To address the immediate service need and the anticipated seasonal ridership peak, staff identified five used compressed natural gas (CNG) buses with a 29-seat capacity available for purchase or lease from a local private bus company dealership. These buses are proposed to be used in place of five of the existing 20-passenger vehicles, immediately providing 45 percent more capacity for the interim period with no additional burden to OCTA staffing.

The City's understanding is that OCTA will operate the replacement vehicles as part of the current service agreement. However, the City is waiting to receive written

confirmation that OCTA will operate and maintain the interim replacement vehicles prior to initiating the proposed procurement of the five vehicles.

The base purchase cost for the five used CNG vehicles is \$25,000 per vehicle or \$125,000. The cost to lease these same vehicles is \$2,500 per bus, per month, or \$225,000 for the anticipated 18-month period needed to allow for OCTA's procurement of new replacement vehicles. The used vehicles have a remaining useful life of approximately two (2) years making the lower cost purchase option more desirable than leasing.

Staff recommends that the City supplement the OCTA contract with the purchase of the identified five used 29-seat CNG vehicles.

ALTERNATIVES CONSIDERED

City Council could provide direction to staff for any other alternative transit options deemed appropriate by the City Council to address the service and capacity concerns.

FINANCIAL IMPACT

Proposition 116 Funds may be used for up to 90 percent of capital and operations costs for iShuttle service over the next 23 years, as shown in Attachment 2. The current available balance is estimated at \$4 million. Staff propose the procurement costs be paid from Proposition 116 Funds for 90 percent, and IBC Transportation Mitigation Fees, funding partners, and/or Mobile Source Air Pollution Reduction Review Committee Local Government Partnership Program for the 10 percent matching funds.

REPORT PREPARED BY Mike Davis, Transit Program Administrator

ATTACHMENTS

1. Proposition 116 Replacement Funds; Letter Agreement No. 7 Amending Agreement No. C-0-1892
2. Projected Funding Schedule for Irvine Proposition 116 Fund Exchange Agreement

CONTRACTS SCAN SHEET

CONTRACT NUMBER: 6867G

CONTRACT TYPE: AMENDMENT

DEPARTMENT: PUBLIC WORKS
Department initiating contract

CONTRACT DATE: 06/15/2016
As stated in the Terms sections of contract

EXPIRATION DATE:
As stated in the Terms sections of contract

MEETING DATE:
Date of meeting where contract was approved

ITEM NUMBER:
Item number of meeting where contract was approved

CONTRACT AMOUNT:
As stated in Budget section of contract

CONTRACT NAME: ORANGE COUNTY
As stated in first paragraph of contract TRANSPORTATION AUTHORITY
(OCTA)

CONTRACT SUBJECT: PROPOSITION 116 REPLACEMENT
As stated in Description of Services section of contract FUNDS; LETTER AGREEMENT NO. 7
AMENDING AGREEMENT NO.
C-0-1892 EXHIBIT A-7 FUNDING
SCHEDULE

AMENDMENT NO. 7 TO
COOPERATIVE AGREEMENT NO. C-0-1892
BETWEEN
ORANGE COUNTY TRANSPORTATION AUTHORITY
AND
CITY OF IRVINE
FOR
PROPOSITION 116 REPLACEMENT FUNDS

This Amendment No. 7 is effective as of this 15 day of June 2016, by and between the Orange County Transportation Authority (hereinafter referred to as "AUTHORITY") and City of Irvine (hereinafter referred to as "CITY").

RECITALS:

WHEREAS, by Cooperative Agreement No. C-0-1892 dated January 3, 2011 (the "AGREEMENT"), as last changed by Letter Agreement No. 6 dated March 2, 2015, pursuant to which the parties (i) established how AUTHORITY would satisfy its obligations pursuant to the Proposition 116 fund transfer agreement by funding ninety percent (90%) of CITY's iShuttle services and (ii) defined the specific terms, conditions and funding responsibilities between AUTHORITY and CITY for the iShuttle service; and

WHEREAS, pursuant to the AGREEMENT, CITY currently operates iShuttle Routes A and B from the Tustin Metrolink station that serve the Irvine Business Complex (IBC) and John Wayne Airport (JWA) and iShuttle Routes C and D from the Irvine Station that serve the Irvine Spectrum Area as depicted in Exhibits B and C attached hereto; and

WHEREAS, the iShuttle services, including costs such as bus operations and maintenance, bus replacement and any future service expansion, are defined as the TRANSIT PROGRAM for the purposes of the AGREEMENT and this Amendment No. 7; and

WHEREAS, AUTHORITY and CITY have determined that the TRANSIT PROGRAM can be

operated by AUTHORITY at a lower cost than CITY and AUTHORITY agrees to act as the lead agency for managing and operating the TRANSIT PROGRAM; and

WHEREAS, AUTHORITY and CITY now desire to amend the AGREEMENT to provide for the transfer of the TRANSIT PROGRAM to AUTHORITY for operation;

NOW, THEREFORE, it is mutually understood and agreed by AUTHORITY and CITY that Agreement No. C-0-1892 is hereby amended in the following particulars only:

1. Amend **ARTICLE 2. RESPONSIBILITIES OF AUTHORITY**, Page 3 of 10, to delete in its entirety and in lieu thereof insert the following:

"AUTHORITY agrees to the following responsibilities for the TRANSIT PROGRAM:

A. AUTHORITY agrees to act as the operating agency for the TRANSIT PROGRAM. AUTHORITY shall operate the TRANSIT PROGRAM through its existing contracted fixed-route vendor using AUTHORITY, state and federal standards/policies.

B. AUTHORITY shall provide the remaining balance of the original Proposition 116 fund transfer agreement (estimated to be One Hundred Seven Million, Seven Hundred Three Thousand, One Hundred Fifty-Eight Dollars [\$107,703,158.00]) over a minimum of a 25-year period, consistent with the annual funding schedule provided in Exhibit A, towards the cost of operating the TRANSIT PROGRAM. For purposes of this AGREEMENT, the phrase "costs of operating the TRANSIT PROGRAM" is defined to mean (i) payments to AUTHORITY's fixed-route contractor to operate the TRANSIT PROGRAM, (ii) costs of consumables including fuel and tires, (iii) costs for maintaining the iShuttle fleet inclusive of retrofitting existing buses to AUTHORITY specifications, (iv) cost of replacement vehicles, (v) cost of expansion vehicles in the event CITY and AUTHORITY agree on route changes or new routes, (vi) costs for replacement of existing signs at bus stops or new bus stop signs at new stops, if requested by CITY, and (vii) a management/operational fee. The management/operational fee shall be based on actual costs incurred by AUTHORITY, but in no event shall exceed five percent (5%) of the annual cost of TRANSIT PROGRAM elements exclusive of management/operational fee. Any other TRANSIT PROGRAM-related cost shall be discussed

1 between the parties and mutually agreed to in writing prior to being included as a cost of operating.

2 C. AUTHORITY shall annually prepare and deliver to CITY a three-year budget for CITY's
3 reasonable approval reflecting planned uses of AUTHORITY-provided TRANSIT PROGRAM funding,
4 including projected beginning and ending balances by year. The three-year budget shall also reflect
5 gross receipts, operating expenses and the source of funds to meet the funding schedule provided in
6 Exhibit A.

7 D. AUTHORITY shall not make any modification to the existing iShuttle routes A, B, C and
8 D and schedules A, B, C and D, as shown on Exhibits B and C, respectively, without consultation and
9 approval by CITY. Service changes to ensure safety, or reduce liabilities, shall be at the discretion of
10 AUTHORITY with due notice to CITY. Service changes to enhance operational efficiency shall be
11 developed in consultation with CITY. Any expansion of service, if requested by CITY or proposed by
12 AUTHORITY, shall be subject to assessment of potential demand and resource availability from
13 annual cost savings achieved from AUTHORITY's operation of the TRANSIT PROGRAM or additional
14 funding made available and shall be subject to concurrence by CITY.

15 E. AUTHORITY shall collect and account for all iShuttle fare revenue. AUTHORITY shall
16 add iShuttle routes to Metrolink fare agreement and collect revenue. iShuttle fare revenue shall be
17 accounted for in the Proposition 116 reconciliations as credits to CITY, i.e., fare revenues shall be a
18 credit towards CITY's obligation of covering ten percent (10%) of the cost of operating the TRANSIT
19 PROGRAM.

20 F. AUTHORITY agrees to provide security for the TRANSIT PROGRAM with the same
21 parameters used for AUTHORITY bus services.

22 G. AUTHORITY shall make the iShuttle vehicles and coach operators available for
23 non-revenue service to CITY with a thirty (30) days' notice within limits set by Federal Transit
24 Administration (FTA) for Charter Bus Service. Service provided pursuant to this paragraph shall be
25 available outside regular iShuttle operating hours and costs of such services shall be invoiced to CITY
26 to be paid either from available funding under this AGREEMENT or from other CITY revenues.

1 H. AUTHORITY shall install and maintain signs at iShuttle bus stops.

2 I. AUTHORITY shall assume ownership of existing seventeen (17) iShuttle vehicles,
3 provide insurance for vehicle operations and maintain and fuel iShuttle buses using the same
4 procedures used for AUTHORITY's existing contract operated bus fleet. AUTHORITY agrees to
5 transfer vehicle title and registration from CITY to AUTHORITY within fourteen (14) calendar days
6 from taking possession of iShuttle vehicles. AUTHORITY also agrees to provide documentation to
7 CITY confirming transfer of title and registration to iShuttle vehicles from CITY to AUTHORITY within
8 thirty (30) calendar days from taking possession of iShuttle vehicles.

9 J. AUTHORITY agrees to be responsible for procuring replacement vehicles as
10 AUTHORITY deems necessary for the TRANSIT PROGRAM consistent with AUTHORITY's vehicle
11 replacement policies and with due notice to CITY. AUTHORITY shall annually provide CITY with an
12 updated capital plan that includes estimated cost and timetable of vehicle replacement and other
13 capital items.

14 K. AUTHORITY shall provide ridership data to CITY on a quarterly basis and shall provide
15 CITY annual accounting of the TRANSIT PROGRAM expenditures and fare revenues received. The
16 annual accounting shall be submitted by the end of the third month following the close of
17 AUTHORITY's fiscal year and include (i) expenditures identified by type (e.g., capital, operations,
18 administration, etc.) and (ii) fare revenues received. The revenue and expenditure report shall be
19 provided to CITY along with a statement reflecting any credits and outstanding matching fund amounts
20 due from CITY.

21 L. AUTHORITY shall handle customer service issues and complaints through the same
22 methods used for other AUTHORITY fixed-route service and AUTHORITY shall promote iShuttle
23 routes using same methods used for other AUTHORITY services.

24 M. AUTHORITY shall use the referenced funds in Exhibit A exclusively for the costs of
25 operating the TRANSIT PROGRAM, up to the annual obligation identified therein.

26 N. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers, directors,

employees and agents from and against any and all claims (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, worker's compensation subrogation claims, damage to or loss of use of property caused by the negligent acts, omissions or willful misconduct by AUTHORITY, its officers, directors, employees or agents in connection with or arising out of the performance of this AGREEMENT.

O. AUTHORITY shall annually determine the source of funds to meet the funding schedule provided in Exhibit A as part of AUTHORITY budget process and ensure that such action does not result in a reduction of AUTHORITY-provided bus service in Orange County.

P. AUTHORITY shall establish an internal account (ACCOUNT) where AUTHORITY funding, fare revenues, Metrolink fare agreement revenues and expenses for the TRANSIT PROGRAM shall be accounted for. The ACCOUNT shall retain reservations for future TRANSIT PROGRAM capital replacement needs and any remaining available surplus that may be used for expansion."

2. Amend **ARTICLE 3. RESPONSIBILITIES OF CITY**, Page 4 of 10, to delete in its entirety and in lieu thereof insert the following:

"CITY agrees to the following responsibilities for the TRANSIT PROGRAM:

A. CITY agrees that the net funds expended by AUTHORITY to cover ninety percent (90%) of the costs of operating the TRANSIT PROGRAM satisfy AUTHORITY's One Hundred Twenty-One Million, One Hundred Thousand Dollar (\$121,100,000.00) maximum obligation included in the 2009 Proposition 116 fund transfer agreement on condition that all remaining funds are expended to cover the costs of operating the TRANSIT PROGRAM consistent with the funding schedule attached hereto as Exhibit A.

B. CITY shall work with AUTHORITY to transfer title of existing seventeen (17) iShuttle buses to AUTHORITY. All funds previously received by CITY from AUTHORITY for future capital/vehicle replacement of Two Million, Five Thousand, Eight Hundred Thirteen Dollars (\$2,005,813.00) shall be transferred to AUTHORITY and deposited in the ACCOUNT as described in

1 Paragraph P of ARTICLE 2 above.

2 C. CITY agrees to be responsible for ten percent (10%) of the operating costs of the
3 TRANSIT PROGRAM. Any and all fare revenue collected by AUTHORITY as part of the TRANSIT
4 PROGRAM shall be credited to CITY for purposes of meeting its funding obligations under this
5 AGREEMENT. CITY may also program monies received from other entities, such as Capital Group
6 and Spectrumotion, pursuant to its agreements with those entities for purposes of meeting its funding
7 obligation under this AGREEMENT. CITY further agrees to ensure the ten percent (10%) match
8 associated with vehicle replacement costs shall be made available to AUTHORITY when warranted.

9 D. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors,
10 employees and agents from and against any and all claims (including attorney's fees and reasonable
11 expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, worker's
12 compensation subrogation claims, damage to or loss of use of property caused by the negligent acts,
13 omissions or willful misconduct by CITY, its officers, directors, employees or agents in connection with
14 or arising out of the performance of this AGREEMENT.

15 E. CITY shall maintain existing iShuttle stops and build new stops as needed."

16 3. Amend **ARTICLE 5. AUDIT AND INSPECTION**, Page 5 of 10, to delete in its entirety and
17 in lieu thereof insert the following:

18 "AUTHORITY shall maintain a complete set of records in accordance with generally
19 accepted accounting principles. Upon reasonable notice, AUTHORITY shall permit the authorized
20 representatives of CITY to inspect and audit all work, materials, payroll, books, accounts and other
21 data and records of AUTHORITY relating to the TRANSIT PROGRAM for a period of four (4) years
22 after expiration or termination of this AGREEMENT. CITY shall also have the right to reproduce any
23 such books, records and accounts. Contracts with applicable AUTHORITY's contractors shall include
24 the above provision with respect to audits."

25 4. Amend **ARTICLE 6. IT IS MUTUALLY UNDERSTOOD AND AGREED**, to make the
26 following changes:

1 a. Pages 6 and 7 of 10, Paragraphs A through I, to delete in their entirety and in lieu
2 thereof insert the following:

3 "AUTHORITY and CITY agree to the following mutual responsibilities regarding the
4 TRANSIT PROGRAM:

5 A. In the event of cost savings or unused funds in a given fiscal year, AUTHORITY
6 and CITY may define a mutually acceptable expansion of the iShuttle services to be funded by the
7 cost savings or unused funds after accounting for future capital needs i.e. bus replacement costs. In
8 the event the parties are unable to define a mutually acceptable expansion of the iShuttle services to
9 be funded by the unused funds in any fiscal year, such funds shall roll forward to the next fiscal year
10 and be available for use by AUTHORITY or CITY for the costs of operating the TRANSIT PROGRAM.
11 Exhibit A shall be updated annually by AUTHORITY to account for actual net expenditures to cover
12 the cost of operating the TRANSIT PROGRAM.

13 B. AUTHORITY and CITY agree to annually amend Exhibit A to include the annual
14 fund source and update for actual net expenditures provided by AUTHORITY to cover the cost of
15 operating the TRANSIT PROGRAM within the limits of expenditures and amounts shown in Paragraph
16 B of ARTICLE 2 above.

17 C. AUTHORITY shall develop and implement a plan for addressing complementary
18 paratransit service and fare policies as required by the Americans with Disabilities Act of 1990, as well
19 as integration with Metrolink fares. The plan shall be updated periodically or as necessary. The
20 proportional cost of complementary paratransit service shall be counted as a cost of operating the
21 TRANSIT PROGRAM for purposes of Paragraph B of ARTICLE 2 above.

22 D. Changes in the current iShuttle system characteristics such as, but not limited to,
23 service levels, schedules or routing shall be subject to the approval by CITY prior to implementation
24 by AUTHORITY.

25 E. AUTHORITY and CITY agree that this AGREEMENT supersedes Agreement No.
26 C-8-1400 and all terms and conditions in Agreement No. C-8-1400 are declared null and void.

F. This AGREEMENT shall continue in full force and effect until AUTHORITY's satisfaction of maximum obligation of One Hundred Seven Million, Seven Hundred Three Thousand, One Hundred Fifty-Eight Dollars (\$107,703,158.00) to cover the costs of operating the TRANSIT PROGRAM. This AGREEMENT may only be extended upon mutual agreement by both parties.

G. In the event the cost of the TRANSIT PROGRAM is projected to exceed the amount of revenues reflected in Exhibit A, AUTHORITY and CITY shall meet and confer to develop service changes to keep costs and revenues in balance.

H. Productivity of iShuttle services shall be evaluated on a semi-annual basis and compared to AUTHORITY adopted productivity standards for community routes. This comparison shall be the basis of mutual review of demand, route structure and service frequency with a goal of modifying the service to attain productivity standards.

I. [RESERVED]"

b. Page 8 of 10, Paragraph L, to delete in its entirety and in lieu thereof insert the following:

"L. All notices hereunder and communications regarding the interpretation of the terms of this AGREEMENT, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered, or certified mail and addressed as follows:

To CITY:	To AUTHORITY:
City of Irvine	Orange County Transportation Authority
Public Works	550 South Main Street
1 Civic Center Plaza	P.O. Box 14184
Irvine, California 92606-5208	Orange, California 92863-1584
Attention: Manuel Gomez	Attention: Iris Deneau
Public Works Director	Contract Administrator
(949) 724 – 7516	(714) 560 – 5786
Email: pw@cityofirvine.org	Email: ideneau@octa.net"

/

5. Amend EXHIBIT A-6, PROPOSED FUNDING SCHEDULE FOR IRVINE PROPOSITION 116, as last changed by Letter Agreement No. 6, to delete in its entirety and replace it with EXHIBIT A-7, FUNDING SCHEDULE FOR IRVINE PROPOSITION 116, appended to this Amendment No. 7 and by this reference incorporated into the AGREEMENT.

6. Append EXHIBIT B, ROUTES A AND B to this Amendment No. 7 and by this reference incorporated into the AGREEMENT.

7. Append EXHIBIT C, ROUTES C AND D to this Amendment No. 7 and by this reference incorporated into this AGREEMENT.

The balance of Agreement No. C-0-1892 remains unchanged.

This Amendment No. 7 shall be made effective upon execution by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 7 to Agreement C-0-1892 to be executed on the date first written above.

CITY OF ORANGE

By: 

Sean Joyce
City Manager

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: 

Darrell Johnson
Chief Executive Officer

ATTEST:

By: 

Molly McLaughlin
City Clerk

APPROVED AS TO FORM:

By: 

James M. Donich
General Counsel

APPROVED AS TO FORM:

By: 

Jeffrey Melching
City Attorney

APPROVAL RECOMMENDED:

By: 

Kia Mortazavi
Executive Director, Planning

AMENDMENT NO. 7 TO
COOPERATIVE AGREEMENT NO. C-0-1892

5. Amend EXHIBIT A-6, PROPOSED FUNDING SCHEDULE FOR IRVINE PROPOSITION 116, as last changed by Letter Agreement No. 6, to delete in its entirety and replace it with EXHIBIT A-7, FUNDING SCHEDULE FOR IRVINE PROPOSITION 116, appended to this Amendment No. 7 and by this reference incorporated into the AGREEMENT.

6. Append EXHIBIT B, ROUTES A AND B to this Amendment No. 7 and by this reference incorporated into the AGREEMENT.

7. Append EXHIBIT C, ROUTES C AND D to this Amendment No. 7 and by this reference incorporated into this AGREEMENT.

The balance of Agreement No. C-0-1892 remains unchanged.

This Amendment No. 7 shall be made effective upon execution by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 7 to Agreement C-0-1892 to be executed on the date first written above.

CITY OF ORANGE

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____
Sean Joyce
City Manager

By: _____
Darrell Johnson
Chief Executive Officer

ATTEST:

APPROVED AS TO FORM:

By: _____
Molly McLaughlin
City Clerk

By: Cassie Thompson, for
James M. Donich
General Counsel

APPROVED AS TO FORM:

APPROVAL RECOMMENDED:

By: Jeffrey Melching
Jeffrey Melching
City Attorney

By: _____
Kia Mortazavi
Executive Director, Planning

**Funding Schedule for Irvine Proposition 116
Fund Exchange Agreement (July 1, 2016)**

Fiscal Year	Beginning Balance	Annual Funding Amount	Actual Expenses	Ending Balance (B+C-D)*	Annual Fund Source
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
2010-2011	\$ -	\$ 770,000	\$ 725,264	\$ 44,736	Measure M transit funds
2011-2012	44,736	2,400,000	2,359,311	85,425	CMAQ & Measure M transit funds
2012-2013	85,425	2,479,975	2,524,711	40,689	CMAQ & Measure M transit funds
2013-2014	40,689	2,562,614	2,603,303	0	CMAQ & CURE
2014-2015	0	2,648,007	2,648,007	0	CMAQ & CURE
2015-2016	0	2,736,246		2,736,246	CURE
2016-2017	2,736,246	2,827,425		5,563,672	
2017-2018	5,563,672	2,921,643		8,485,314	
2018-2019	8,485,314	3,019,000		11,504,314	
2019-2020	11,504,314	3,119,601		14,623,915	
2020-2021	14,623,915	3,223,555		17,847,470	
2021-2022	17,847,470	3,330,972		21,178,442	
2022-2023	21,178,442	3,441,969		24,620,411	
2023-2024	24,620,411	3,556,665		28,177,076	
2024-2025	28,177,076	3,675,183		31,852,259	
2025-2026	31,852,259	3,797,650		35,649,909	
2026-2027	35,649,909	3,924,198		39,574,107	
2027-2028	39,574,107	4,054,963		43,629,070	
2028-2029	43,629,070	4,190,085		47,819,155	
2029-2030	47,819,155	4,329,710		52,148,865	
2030-2031	52,148,865	4,473,988		56,622,853	
2031-2032	56,622,853	4,623,073		61,245,926	
2032-2033	61,245,926	4,777,127		66,023,053	
2033-2034	66,023,053	4,936,314		70,959,366	
2034-2035	70,959,366	5,100,805		76,060,171	
2035-2036	76,060,171	5,270,778		81,330,949	
2036-2037	81,330,949	5,446,414		86,777,363	
2037-2038	86,777,363	5,627,904		92,405,267	
2038-2039	92,405,267	5,815,441		98,220,707	
2039-2040	98,220,707	6,009,227		104,229,934	
2040-2041	\$ 104,229,934	\$ 6,209,471		\$ 110,439,404	
Total:		\$ 121,300,000			

FY 2011/12 to FY 2040/41

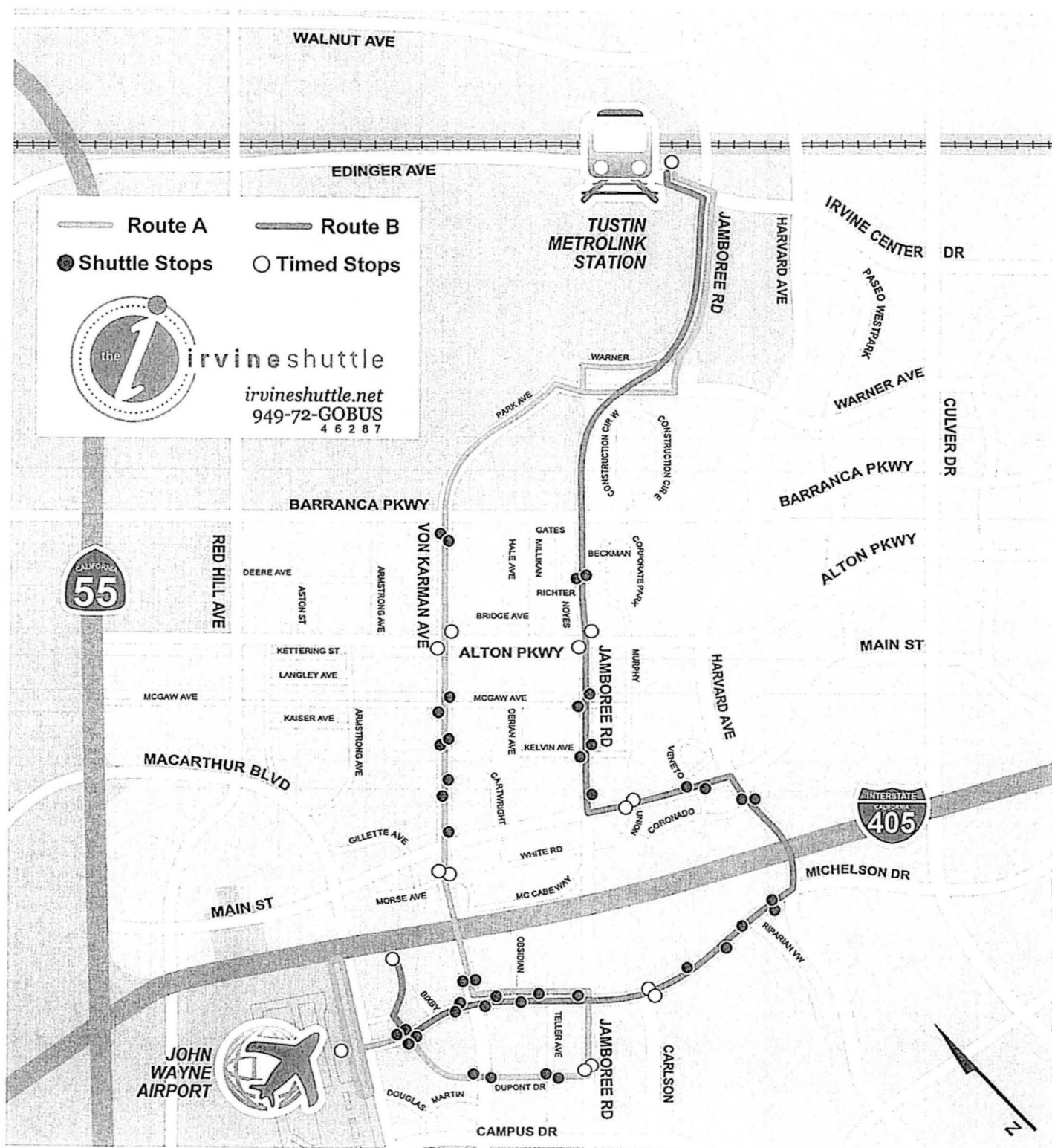
inflated at 3.33%

This schedule shall be adjusted annually to reflect actual expenses.

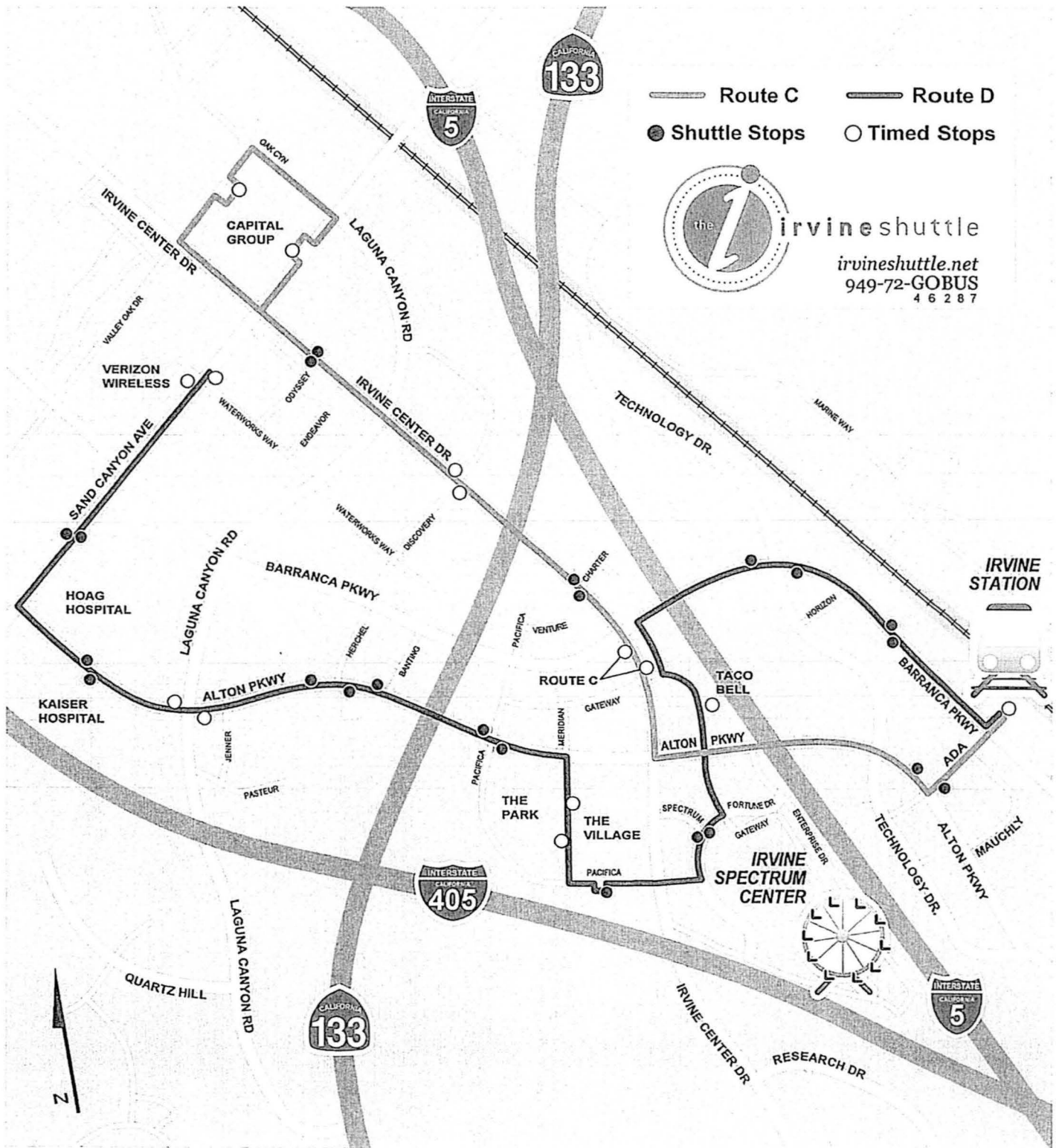
*Authority's obligation by year shall not exceed the ending balances in any given year.

CMAQ = Congestion Mitigation and Air Quality funds
CURE = Commuter Urban Rail Endowment funds

Routes A and B



Routes C and D





June 20, 2016

BOARD OF DIRECTORS

Lori Donchak
Chair

Michael Hennessey
Vice Chair

Lisa A. Bartlett
Director

Andrew Do
Director

Steve Jones
Director

Jim Katapodis
Director

Jeffrey Lalloway
Director

Gary A. Miller
Director

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Tom Tait
Director

Frank Ury
Director

Gregory T. Winterbottom
Director

Ryan Chamberlain
Ex-Officio Member

Mr. Manuel Gomez
City of Irvine
1 Civic Center Plaza
Irvine, CA 92606-5208

SUBJECT: AMENDMENT NO. 7 TO AGREEMENT NO. C-0-1892

Dear Mr. Gomez:

Enclosed for your records is a copy of the above-referenced subject. If you have any questions, please call Iris Deneau at (714) 560-5786.

Sincerely,

Cathy Foreman
Office Specialist
Contracts Administration and Materials Management

Enclosure

CHIEF EXECUTIVE OFFICE

Darrell Johnson
Chief Executive Officer

**Proposed Funding Schedule for Irvine Proposition 116
Fund Exchange Agreement**

Fiscal Year	Beginning Balance	Annual Funding Amount	Actual Expenses	Ending Balance (B+C-D)*	Annual Fund Source
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
2010-11	\$0	\$770,000	\$725,264	\$44,736	Measure M transit funds
2011-12	44,736	2,400,000	\$2,359,311	85,425	CMAQ & Measure M transit funds
2012-13	85,425	2,479,975	\$2,524,711	40,689	CMAQ & Measure M transit funds
2013-14	40,689	2,562,614	\$1,832,046	771,257	CMAQ & CURE
2014-15	771,257	2,648,007	\$1,914,835	1,504,429	CMAQ & CURE
**2015-16	1,504,429	2,736,246	\$1,773,408 **	2,467,268	CURE
**2016-17	2,467,268	2,827,425	\$1,196,854 **	4,097,839	\$2,005,813 pd to OCTA for Cap Rep
2017-18	4,097,839	2,921,643		7,019,482	
2018-19	7,019,482	3,019,000		10,038,482	
2019-20	10,038,482	3,119,601		13,158,083	
2020-21	13,158,083	3,223,555		16,381,638	
2021-22	16,381,638	3,330,972		19,712,610	
2022-23	19,712,610	3,441,969		23,154,579	
2023-24	23,154,579	3,556,665		26,711,244	
2024-25	26,711,244	3,675,183		30,386,427	
2025-26	30,386,427	3,797,650		34,184,077	
2026-27	34,184,077	3,924,198		38,108,275	
2027-28	38,108,275	4,054,963		42,163,238	
2028-29	42,163,238	4,190,085		46,353,323	
2029-30	46,353,323	4,329,710		50,683,033	
2030-31	50,683,033	4,473,988		55,157,021	
2031-32	55,157,021	4,623,073		59,780,094	
2032-33	59,780,094	4,777,127		64,557,221	
2033-34	64,557,221	4,936,314		69,493,534	
2034-35	69,493,534	5,100,805		74,594,339	
2035-36	74,594,339	5,270,778		79,865,117	
2036-37	79,865,117	5,446,414		85,311,531	
2037-38	85,311,531	5,627,904		90,939,434	
2038-39	90,939,434	5,815,441		96,754,875	
2039-40	96,754,875	6,009,227		102,764,101	
2040-41	102,764,101	6,209,471		108,973,572	
Total:		\$121,300,000	\$12,326,428	\$108,973,572	

FY 2011/12 to FY 2040/41

Inflated at 3.33%

This schedule shall be adjusted annually to reflect actual expenses.

*Authority's obligation by year shall not exceed the ending balances in any given year

City Notes:

CMAQ = Congestion Mitigation and Air Quality funds

CURE = Commuter Urban Rail Endowment funds

**Unverified by OCTA

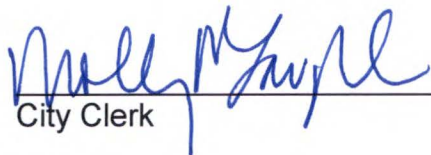
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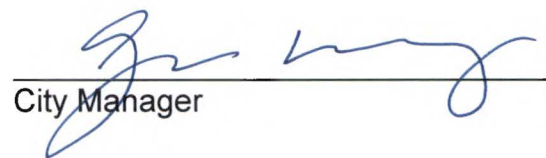
REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: SECOND READING AND ADOPTION OF ORDINANCE NOS. 18-01 AND 18-02 APPROVING A CITYWIDE ZONE CHANGE TO AMEND APPLICABLE SECTIONS OF ZONING ORDINANCE SECTION 3-39 "CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED" TO ALLOW CANNABIS TESTING LABORATORIES (00728989-PZC)



City Clerk



City Manager

RECOMMENDED ACTION

- 1) Read by title only, second reading and adoption of ORDINANCE NO. 18-01 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AMENDING CHAPTER 3-39 OF THE IRVINE ZONING CODE (ENTITLED CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED) AND OTHER RELATED ZONING CODE SECTIONS TO ALLOW CANNABIS TESTING LABORATORIES IN CERTAIN ZONING DISTRICTS (SECTIONS 1-2-1, 3-3-1, 3-37-29, 3-37-33, AND 3-37-34)
- 2) Read by title only, second reading and adoption of ORDINANCE NO. 18-02 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADDING DIVISION 22 TO TITLE 4 OF THE IRVINE MUNICIPAL CODE PERMITTING CANNABIS TESTING LABORATORIES CONSISTENT WITH THIS DIVISION AND THE CITY'S ZONING CODE

EXECUTIVE SUMMARY

On January 23, 2018, the City Council introduced for first reading two ordinances approving a citywide zone change to amend applicable sections of Zoning Ordinance Section 3-39 "Cannabis Related Uses, Commercial Cannabis Activities, Deliveries, and Cultivation Prohibited" to allow cannabis testing laboratories (00728989-PZC). After introduction, modifications were made to both ordinances.

Ordinance No. 18-01 was modified to amend Sections 3-37-33.-5.4(B)(4) and 3-37-34.-5.5(B)(4) of the Irvine Zoning Code as follows (noted in bold, underline and strikethrough):

Sec. 3-37-33. – 5.4 General Industrial

B. *Permitted Uses.*

4. Cannabis testing laboratory (not allowed within ~~4000~~ **600** feet of schools or residences)

Sec. 3-37-34. – 5.5 Medical and Science.

B. *Permitted Uses.*

4. Cannabis testing laboratory (not allowed within ~~4000~~ **600** feet of schools or residences)

Ordinance No. 18-02 was modified to amend Sections 4-22-107(1)(d), and Section 4-22-107(1)(m), of the Irvine Municipal Code as follows (noted in bold, underline and strikethrough):

Section 4-22-107 Cannabis Testing Laboratory Permit Application and Renewal Requirements.

1(d). Certification from the Community Development Director or his/her designee(s) that the proposed laboratory is located at least ~~4000~~ **600** feet away from any parcel zoned for residential purposes and at least ~~4000~~ **600** feet away from any school (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12), commercial day care center, or youth center.

1(m). A copy of the testing laboratory's certificate(s) of accreditation and/or application(s) for certificate(s) of **ISO/IEC 17025** accreditation, in compliance with state law. In the event the applicant only provides evidence of an **ISO/IEC** application, the applicant must demonstrate **a good faith effort towards receiving final accreditation approval within a reasonable amount of time. Failure to do so may be a basis for permit suspension or revocation, or denial of a request for permit renewal.** ~~that he/she has obtained final approval of a certificate of accreditation prior to commencing operations.~~

The motion to introduce Ordinance Nos. 18-01 and 18-02 for first reading **as amended** carried by the following vote:

AYES: 4 COUNCILMEMBERS: Fox, Lalloway, Shea and Wagner

NOES: 0 COUNCILMEMBERS: None

ABSENT: 1 COUNCILMEMBERS: Schott

ABSTAIN: 0 COUNCILMEMBERS: None

Unless otherwise directed by a Member of the City Council, the vote at second reading will reflect the same vote as at the first reading. However, if a Councilmember was absent at first reading, his or her vote cast at second reading will be reflected. If a Councilmember is not present at the second reading/adoption, the vote will be reflected as absent.

REPORT PREPARED BY Molly McLaughlin, City Clerk

ATTACHMENTS:

1. City Council Ordinance No. 18-01
2. City Council Ordinance No. 18-02

CITY COUNCIL ORDINANCE NO. 18-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA AMENDING CHAPTER 3-39 OF THE IRVINE ZONING CODE (ENTITLED CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED) AND OTHER RELATED ZONING CODE SECTIONS TO ALLOW FOR CANNABIS TESTING LABORATORIES IN CERTAIN ZONING DISTRICTS (SECTIONS 1-2-1, 3-3-1, 3-37-29, 3-37-33, and 3-37-34)

WHEREAS, on October 9, 2015, Governor Brown signed three bills into law (AB 266, AB 243, and SB 643), which collectively are known as the Medical Marijuana Regulation and Safety Act ("MMRSA") and which established a comprehensive state licensing scheme for commercial uses related to medicinal cannabis; and

WHEREAS, pursuant to the authority granted by the MMRSA, the City adopted Ordinance No. 16-01, and thereby prohibited all commercial marijuana activities, regardless of whether those activities related to medicinal or recreational uses; and

WHEREAS, since the adoption of Ordinance No. 16-01, the voters passed Proposition 64 or the Adult Use of Marijuana Act ("AUMA") in November 2016, which established a similar state licensing scheme for adult use (i.e., non-medicinal) marijuana facilities; and

WHEREAS, after the passage of the AUMA, the Legislature adopted and the Governor signed into law SB 94, which is known as the Medicinal and Adult Use Cannabis Regulation and Safety Act (the "MAUCRSA"); and

WHEREAS, the MAUCRSA effectively consolidates the regulatory scheme provided for by the MMRSA (relating to medicinal marijuana) with the regulatory scheme provided for by the AUMA (relating to non-medicinal marijuana) to provide for one licensing structure for all cannabis related uses; and

WHEREAS, under the MAUCRSA, cities retain their ability to regulate medicinal and adult use commercial cannabis related uses; and

WHEREAS, the City Council continues to find that commercial cannabis activities, as defined by Business & Professions Code section 26001, subdivision (i), other than testing laboratories, can adversely affect the health, safety and well-being of City residents; and

WHEREAS, citywide prohibition of both medicinal and adult use commercial cannabis activities, other than testing laboratories, is proper and necessary to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells and indoor electrical fire hazards that may result from such activities; and

WHEREAS, the City Council also finds that testing laboratories for either medicinal or adult use marijuana shall be permitted in certain zoning districts in the City, as set forth below, and subject to the regulations contained in Title 4, Division 22 of the Irvine Municipal Code; and

WHEREAS, the Planning Commission held a duly noticed public hearing on December 7, 2017 at which time it considered all evidence presented, both written and oral, and at the of the hearing, voted to adopt a resolution recommending that the City Council adopt this ordinance; and

WHEREAS, the City Council held a duly noticed public hearing on this Ordinance on January 23, 2018 at which it considered all evidence presented, both written and oral; and

NOW, THEREFORE, the City Council of the City of Irvine, California DOES HEREBY ORDAIN as follows:

SECTION 1. Recitals. The foregoing recitals are true and correct and are incorporated herein as though set forth in full.

SECTION 2. Authority. This Ordinance is adopted pursuant to the authority granted by the California Constitution and State law, including but not limited to Article XI, Section 7 of the California Constitution, and the MAUCRSA.

SECTION 3: No Changes to Permitted Uses. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

SECTION 4: CEQA Determination. In adopting this Ordinance, the City Council finds that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 California Code of Regulations Sections 15061(b)(3) and 15378, in that it can be seen with certainty that the adoption of the Zoning and Municipal Code amendments propose no activity that may have a significant effect on the environment and will not cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In addition, the adoption of the proposed ordinance is exempt under the California Environmental Quality Act pursuant to Business & Professions Code section 26055(h), because, if approved, the companion ordinance to this Zone Text Amendment will require all applicants to comply with CEQA prior to the issuance of the cannabis permit.

SECTION 5: Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more section, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared unconstitutional.

SECTION 6. Effective Date. This Ordinance shall become effective thirty (30) days after its passage and adoption. Within 15 days of the date of adoption of this Ordinance, the City Clerk shall post a copy of said Ordinance in places designated for such posting and shall certify to the same. The City Clerk shall certify the passage of this Ordinance and shall cause the same to be published as required by law.

SECTION 7. The following findings required by Section 2-38-7 of the City of Irvine Zoning Code for approval of a Zone Change have been made as follows:

1. The proposed Zone Change is consistent with the City of Irvine General Plan.

The purpose of the zone change is to allow cannabis testing laboratories as a permitted use in specific zoning districts. These laboratories would be limited to the following zoning districts, 5.1 IBC Multi-Use, 5.4 General Industrial, and 5.5 Medical and Science. Cannabis testing laboratories in these zoning districts and in the corresponding general plan land use designations are considered appropriate since this limits the opportunity to be located near sensitive land uses, such as schools and residences. Furthermore, these uses are more likely to be located in an existing research and development areas where similar testing of a product is being conducted as part of an established business. As such, this zone change is consistent with the goals and objectives of the City of Irvine General Plan.

2. The proposed Zone Change is consistent with any applicable concept plan.

This finding does not apply to the proposed zone change as there is not an applicable concept plan for a text amendment to the zoning code.

3. The proposed Zone Change meets all the requirements set forth within Division 8 for the dedication of permanent open space through a specified phased implementation program for affected planning areas and zoning districts.

This project is not subject to the phased permanent open space dedication implementation program set forth in Division 8-1.

4. The proposed Zone Change is in the best interest of the public health, safety and welfare of the community.

The City-initiated Zone Change is consistent with all applicable provisions of the Zoning Ordinance and is determined to be in the best interests of the health, safety and welfare of the community. The environmental impacts of the proposed Zone Change application are exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b) (3), which provides that CEQA applies only to projects that have the potential to cause a significant effect on the environment, and where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. In addition, the adoption of the proposed ordinance is exempt under the California Environmental Quality Act pursuant to Business & Professions Code section 26055(h), because, if approved, the companion ordinance to this Zone Text Amendment will require all applicants to comply with CEQA prior to the issuance of the cannabis permit.

Therefore, the proposed Zone Change is consistent with and in the best interest of the public health, safety and welfare of the community.

5. Based upon information available at the time of approval, adequate sewer and water lines, utilities, sewage treatment capacity, drainage facilities, police protection, fire protection/emergency medical care, vehicular circulation and school facilities will be available to serve the area affected by the proposed City-initiated Zone Change when development occurs.

The proposed project does not include any specific development. The zone change is limited to a text amendment which would allow cannabis testing laboratories. These labs could be included with existing research and development businesses as both land uses include the testing of a product. As such the need for infrastructure would be minimal.

6. If the proposed Zone Change affects land located within the coastal zone, the proposed Zone Change will comply with the provisions of the land use plan of the certified local coastal program.

A small portion of the 5.1 Irvine Business Complex zone is located within the coastal zone. This portion of the zoning district will not be included in the zone change; therefore, no changes to the local coastal plan are required.

SECTION 8. Based on the above findings, the City Council of the City of Irvine DOES HEREBY APPROVE Zone Change 00728989-PZC amending the City's Zoning Ordinance as depicted in Exhibit A.

SECTION 9. Nothing in this Ordinance shall be construed to allow persons to engage in conduct that violates the law, endangers others, causes a public nuisance, allows the illegal use or diversion of Cannabis, or allows any activity relating to Cannabis that is otherwise illegal under state or local law.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the _____ day of _____ 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, Molly McLaughlin, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing Ordinance was introduced for first reading on the 23rd day of January 2018, and duly adopted at a regular meeting of the City Council of the City of Irvine held on the _____ day of _____ 2018.

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

Zoning Code Section 1-2-1

Adding definition for cannabis testing laboratory:

Camouflage facility: A wireless communication facility utilizing effective and appropriate camouflage design techniques such that the antennae and accessory wireless equipment are not visible or not readily visible.

Cannabis testing laboratory: a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following: (1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state; and, (2) Licensed by the bureau

Canopy: A fixed structure of any material and any length, projecting from and connected to a building and/or columns and posts from the ground, or supported by a frame extending from the building and/or posts from the ground.

Amending the definition for research and development:

Research and development: Uses engaged in the research, analysis, development and/or testing of a product, not to include cannabis testing laboratories.

- **CHAPTER 3-3. - LAND USE MATRIX**
- **Sec. 3-3-1. - Land use matrix.**

Update the City's land use matrix to allow cannabis testing laboratories in the 5.1 Irvine Business Complex₁, the 5.4 General Industrial₂, and in the 5.5 Medical and Science Zones₂. This use would be prohibited in all other zones.

₁Cannabis testing laboratories are not allowed in the coastal zone.

₂Cannabis testing laboratories are not allowed within 600 feet of schools or residences.

Zoning Code Sections

Chapter 3-39

CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, DELIVERIES, AND CULTIVATION PROHIBITED

Sec. 3-39-1 Definitions

“Cannabis” shall means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from marijuana. “Cannabis” also means “marijuana” as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. The term “Cannabis” shall also have the same meaning as set forth in Business & Professions Code § 26001(f), as may be amended from time to time. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

“Caregiver” or “Primary Caregiver” shall have the same meaning as set forth in Health & Safety Code § 11362.7, as may be amended from time to time.

“Commercial Cannabis Activity” shall have the same meaning as set forth in Business & Professions Code § 26001(i), as may be amended from time to time. Commercial Cannabis Activity includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, delivery or sale of cannabis and cannabis products.

“Cooperative” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering, or making available marijuana, with or without cultivation.

“Cultivation” or “Cultivate” shall have the same meaning as set forth in Business & Professions Code § 26001(l), as may be amended from time to time.

“Delivery” shall have the same meaning as set forth in Business & Professions Code § 26001(p), as may be amended from time to time.

“Dispensary” shall mean and refer to any premises where Cannabis or Medicinal Cannabis or Cannabis Products are offered, either individually or in any combination, for retail sale or Delivery to consumers, customers, patients, or primary caregivers. For purposes of this Chapter, Dispensary shall also include a Cooperative. Dispensary shall not include the following uses: (1) a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health & Safety Code; (2) a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; (3) a residential care facility for persons with chronic life threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 of the California Health and Safety Code; (4) a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; (5) a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code.

“Medical Cannabis” or “Cannabis” shall have the same meaning as set forth in Business & Professions Code § 26001(ai), as may be amended from time to time.

“Medicinal and Adult Use Cannabis Regulation and Safety Act” or “MAUCRSA” shall mean and refer to Senate Bill 94, signed into law on June 27, 2017, as the same may be amended from time to time.

“Testing Laboratory” shall have the same meaning as set forth in Business & Professions Code section 26001(as), as may be amended from time to time.

“Qualifying Patient” or “Qualified Patient” shall have the same meaning as set forth in Health and Safety Code section 11362.7 as may be amended from time to time.

Sec. 3-39-2 Prohibition.

Except as set forth in Subsection (F) of this Chapter, all Cannabis related uses, including but not limited to the manufacture, sale, delivery, distribution, processing, and cultivation of Cannabis, and all other Commercial Cannabis Activities for which a State license is required under the MAUCRSA are prohibited in all zones throughout the City, regardless of whether the Commercial Cannabis Activity relates to medicinal or adult use marijuana. Accordingly, the City shall not issue any permit, or process any license or other entitlement for any Cannabis related use or any other activity for which a State license is required under the MAUCRSA.

- A. Adult Use Cannabis Related Uses. Except as set forth in subsection (F) of this Chapter, all adult use Cannabis related uses, including but not limited to the manufacture, sale, delivery, distribution, processing, and cultivation of Cannabis, are expressly prohibited in all zones and all specific plan areas in the City, regardless of whether the Cannabis related use related to medicinal or adult use marijuana. No person shall establish, operate, conduct, permit or allow any Cannabis related use anywhere within the City.
- B. Medical Cannabis Uses. Except as set forth in subsection (F) of this Chapter, all Medical Cannabis related uses, including but not limited to the manufacture, sale, delivery, distribution, processing, and cultivation of Cannabis, are expressly

prohibited in all zones and all specific plan areas in the City, regardless of whether such uses qualify as Commercial Cannabis Activities under the MAUCRSA. No person shall establish, operate, conduct, permit or allow any Medical Cannabis related land use anywhere within the City.

- C. Commercial Cannabis Activities. Except as set forth in subsection (F) of this Chapter, all Commercial Cannabis Activities, including but not limited to the manufacture, sale, delivery, distribution, processing, and cultivation of Cannabis, are expressly prohibited in all zones and all specific plan areas in the City, regardless of whether such uses relate to medicinal or adult use marijuana. No person shall establish, operate, conduct, permit or allow a Commercial Cannabis Activity anywhere within the City.
- D. Cannabis Deliveries. Except as set forth in subsection (F) of this Chapter, all Deliveries of Cannabis and Medical Cannabis are expressly prohibited in the City. No person shall conduct any Deliveries of Cannabis or Medical Cannabis that either originate or terminate at any location within the City.
- E. Cannabis Cultivation. The commercial Cultivation of Cannabis is expressly prohibited in all zones and all specific plan areas in the City, regardless of whether the cultivation is related to medicinal or adult use marijuana.
- F. Cannabis Testing Laboratories. Cannabis Testing Laboratories shall only be permitted in the following zoning districts in the City: 5.1 IBC Multi-Use, 5.5 Medical and Science, and 5.4 General Industrial and upon the issuance of both (1) a valid permit issued by the City pursuant Title 4 - Public Safety of the City's Municipal Code and (2) a valid state license. Cannabis Testing Laboratories shall not be permitted in any other zoning district in the City.

Sec. 3-39-3 Public Nuisance

Any use or condition cause, or permitted to exist, in violation of any provision of this Chapter 3-39 shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the City pursuant to California Code of Civil Procedure Section 731 or any other remedy available at law.

Sec. 3-39-4 Civil Penalties

In addition to any other enforcement permitted by the City's Zoning and/or Municipal Codes, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this Chapter. In any civil action that is brought pursuant to this Chapter, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

Sec. 3-37-29. - 5.1 IBC Multi-Use.

A. *Intent.* The Multi-Use land use district is intended as an area in which a wide variety of uses are allowed. Specific institutional uses, particularly those proposed to serve the needs of the residential and employee populations of this district, such as schools, parks, libraries and theaters, are especially encouraged in this area. Special provisions apply to several of the conditional commercial uses in this area which generate high levels of traffic.

B. *Permitted uses.*

GLU ¹ Category	Use
35	Accessory use
36	Agriculture (interim use)
29	Cannabis testing laboratory (not allowed in the coastal zone or within the IBC Residential Overlay area)
35 ^T	Commercial recreation (under 1,500 square feet)

Sec. 3-37-33. - 5.4 General Industrial.

- A. *Intent.* This category reserves an area for uses such as manufacturing, warehousing and service industries.**

(5.4)	Irvine Spectrum 2 (Planning Area 35)
	Irvine Spectrum 8 (Planning Area 40)
	Oak Creek (Planning Area 12)
(5.4A)	Irvine Spectrum 5 (Planning Area 34)
(5.4B)	Oak Creek (Planning Area 12)
	Irvine Spectrum 3 (Planning Area 32)
	Orange County Great Park (Planning Area 30)

- B. *Permitted uses.* ¹**

1. Accessory use.
2. Agriculture (interim use).
3. Alternative health care provider (permitted only in 5.4B).
4. Cannabis testing laboratory (not allowed within 600 feet of schools or residences)
5. Caretaker's quarters.
6. Domestic animal care facility. ⁸
7. Emergency shelter.
8. Industry, service.
9. Manufactured structure permit (up to two years).
10. Manufacturing, light.
11. Miniwarehouse.
12. Office, administrative, business, professional (permitted only in 5.4B).
13. Office, design professionals (permitted only in Planning Areas 12, 13, 32, 34, 35). ²

Sec. 3-37-34. - 5.5 Medical and Science.

- A. *Intent.* This category allows the development of a biomedical/high technology complex combining health care facilities and related businesses, medical research and education, general research and development, and light manufacturing and assembly in one master planned area.

(5.5)	Irvine Spectrum 4 (Planning Area 13)
(5.5A)	Irvine Spectrum 6 (Planning Area 31)
(5.5B)	Jamboree Business Center, East (Planning Area 10)
(5.5C)	Planning Area 17 (east of Laguna Canyon Road)
(5.5D)	Irvine Spectrum 8 (Planning Area 40)
(5.5E)	Reserved
(5.5F)	Planning Area 6 (Portola Springs)
(5.5G)	Planning Area 17 (west of Laguna Canyon Road)
(5.5H)	Planning Area 12 (Oakcreek)

- B. *Permitted uses.* ¹

1. Accessory use.
2. Agriculture (interim use).
3. Alternative health care provider.
4. Cannabis testing laboratory(not allowed within 600 feet of schools or residences)
5. Caretaker's quarters.
6. Emergency shelters.
7. Financial institution (except drive-thru).

CITY COUNCIL ORDINANCE NO. 18-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA ADDING DIVISION 22 TO TITLE 4 OF THE IRVINE MUNICIPAL CODE PERMITTING CANNABIS TESTING LABORATORIES CONSISTENT WITH THIS DIVISION AND THE CITY'S ZONING CODE

WHEREAS, on October 9, 2015, Governor Brown signed three Bills into law (AB 266, AB 243, and SB 643), which collectively are known as the Medical Marijuana Regulation and Safety Act ("MMRSA") and which established a comprehensive state licensing scheme for commercial uses related to medicinal cannabis; and

WHEREAS, pursuant to the authority granted by the MMRSA, the City adopted Ordinance No. 16-01, and thereby prohibited all commercial marijuana activities, regardless of whether those activities related to medicinal or recreational uses; and

WHEREAS, since the adoption of Ordinance No. 16-01, the voters passed Proposition 64 or the Adult Use of Marijuana Act ("AUMA") in November 2016, which established a similar state licensing scheme for adult use (i.e., non-medicinal) marijuana facilities; and

WHEREAS, after the passage of the AUMA, the Legislature adopted and the Governor signed into law SB 94, which is known as the Medicinal and Adult Use Cannabis Regulation and Safety Act (the "MAUCRSA"); and

WHEREAS, the MAUCRSA effectively consolidates the regulatory scheme provided for by the MMRSA (relating to medicinal marijuana) with the regulatory scheme provided for by the AUMA (relating to non-medicinal marijuana) to provide for one licensing structure for all cannabis related uses; and

WHEREAS, under the MAUCRSA, cities retain their ability to regulate medicinal and adult use commercial cannabis related uses; and

WHEREAS, the City Council continues to find that commercial cannabis activities, as defined by Business & Professions Code section 26001 subdivision (i), other than cannabis testing laboratories, can adversely affect the health, safety and well-being of City residents; and

WHEREAS, citywide prohibition of both medicinal and adult use commercial cannabis activities, other than cannabis testing laboratories, is proper and necessary to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells and indoor electrical fire hazards that may result from such activities; and

WHEREAS, the City Council also finds that cannabis testing laboratories for either medicinal or adult use marijuana shall be permitted in certain zoning districts in the City

subject to the issuance of a cannabis testing laboratory permit and subject to the regulations set forth below, and hereby adds Division 22 to Title 4 of the Irvine Municipal Code; and

The City Council of the City of Irvine DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The above recitations are true and correct and made a part of this Ordinance.

SECTION 2: Division 22 of Section 4 of the Irvine Municipal Code is hereby added to read as follows:

Division 22 CANNABIS TESTING LABS

Section 4-22-101. Purpose and Intent

It is the purpose and intent of this Division to regulate the testing of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of Irvine and to enforce rules and regulations consistent with state law. It is the further purpose and intent of this Division to require all commercial cannabis testing lab operators to obtain and renew annually a permit to operate within Irvine. Nothing in this Division is intended to authorize the possession, use, or provision of cannabis for purposes that violate state or federal law. Nothing in this Division shall be interpreted to allow any other commercial cannabis uses, other than cannabis testing laboratories that comply with the provisions contained herein. The provisions of this Division are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approval required under state, county, federal or other law.

Section 4-22-102. Legal Authority

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (hereinafter “MAUCRSA”), any subsequent state legislation and/or regulations regarding same, the City of Irvine is authorized to adopt ordinances that establish standards, requirements and regulations for the licensing and permitting of commercial medicinal and adult-use cannabis activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the State of California, or any of its departments or divisions, shall be the minimum standards applicable in the City of Irvine to all commercial cannabis activity.

Section 4-22-103. All Commercial Cannabis Uses Prohibited Except as Specifically Authorized by this Division.

Except as specifically authorized in this Division, the commercial cultivation, dispensing, manufacture, processing, storing, laboratory testing, labeling, sale, delivery,

distribution or transportation (other than as provided under Bus. & Prof. Code section 26090(e)), of cannabis or cannabis product is expressly prohibited in the City of Irvine.

Section 4-22-104. Compliance with all Laws.

Nothing in this Division shall be construed as authorizing any actions that violate federal, state or local law with respect to the operation of a cannabis testing laboratories or any other commercial cannabis use. It shall be the responsibility of the owners and the operators of the cannabis testing laboratories to ensure that the cannabis testing laboratory is, at all times, operating in a manner compliant with all applicable federal, state and local laws, including for as long as applicable, the Compassionate Use Act ("Prop. 215"), the Medical Cannabis Program Act ("MMPA"), the 2008 Attorney General Guidelines for the Security and Non-Diversion of Cannabis for Medical Purposes ("AG Guidelines"), the Medical Marijuana Regulation and Safety Act ("MMRSA"), Proposition 64 or the Adult Use of Marijuana Act ("AUMA"), and the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") (collectively "the Medical Cannabis Collective Laws"), any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the cannabis testing lab permit.

Section 4-22-105 Definitions.

When used in this Division, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

Applicant: means an owner who is applying for a state license and City of Irvine license pursuant to this Division.

Bureau: shall mean the Bureau of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.

Cannabis: shall means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" also means "marijuana" as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. The term "Cannabis" shall also have the same meaning as set forth in Business & Professions Code § 26001 (f), as may be amended from time to time. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or

preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

Certificate of accreditation: means a document issued by an accreditation body that attests to the laboratory’s competence to carry out specific testing analysis and is required for issuance of a state license pursuant to 16 Cal. Code Regs. § 5702.

Commercial cannabis activity: “Commercial Cannabis Activity” shall have the same meaning as set forth in Business & Professions Code § 26001, as may be amended from time to time. Commercial Cannabis Activity includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, delivery or sale of cannabis and cannabis products.

Cannabis testing laboratory or lab: shall have the same meaning as set forth in Business & Professions Code section 26001(as), as may be amended from time to time.

Cannabis testing lab permit: means a regulatory permit issued by the City of Irvine pursuant to this Division to a cannabis testing lab, and is required before any commercial cannabis activity may be conducted in the City. The initial permit and annual renewal of a cannabis testing lab permit is made expressly contingent upon the business’ ongoing compliance with all of the requirements of this Division and any regulations adopted by the City governing the commercial cannabis activity at issue.

License or State License: means a state license issued by the State of California, or one of its departments or divisions, under the MAUCRSA and any subsequent State of California legislation, relating to commercial cannabis activities.

Licensee: means any person holding a license under this division, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

Licensing authority: means the state agency responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the licensee.

Local jurisdiction: means a city, county, or city and county.

Owner: shall have the same meaning as set forth in Business and Professions Code section 26001(a1).

Section 4-22-106. Cannabis Testing Lab Permit Required to Operate Cannabis Testing Lab.

No person may engage in any cannabis laboratory testing unless the person has obtained all of the following: (1) a valid cannabis testing laboratory permit issued by the City of Irvine; (2) a valid temporary or permanent cannabis testing laboratory license issued by the State of California; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis activities, including the duty to obtain any state or local licenses or permits. Any person who is an employee or who otherwise works within a cannabis testing laboratory must be legally authorized to do so under applicable state law. Any person who has a valid temporary cannabis testing laboratory license issued by the State must demonstrate that he/she has applied for a permanent cannabis testing laboratory license within thirty (30) days of the date of approval of the City permit or the City permit shall automatically be deemed null and void.

Section 4-22-107 Cannabis Testing Laboratory Permit Application and Renewal Requirements.

1. An application for a cannabis testing laboratory permit or permit renewal shall be made to the City Manager or his/her designee on a form provided for by the City Manager or his/her designee. Failure to disclose information fully and accurately could lead to the denial, revocation, or failure to renew a proposed application. To be deemed complete and submitted for City Manager review, an application must contain at least the following information:
 - a. Evidence that applicant has paid all fees established by resolution of the City Council, to cover all costs incurred by the City in the application process.
 - b. Evidence that the applicant has provided notice of the permit application to all property owners located within three hundred (300) feet of the proposed laboratory location.
 - c. Certification from the Community Development Director or his/her designee(s) certifying that the proposed laboratory is located on a site that meets all of the requirements of the City's Zoning Code, General Plan, and further that the applicant has complied with all requirements of the California Environmental Quality Act.
 - d. Certification from the Community Development Director or his/her designee(s) that the proposed laboratory is located at least 600 feet away from any parcel zoned for residential purposes and at least 600 feet away from any school (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12), commercial day care center, or youth center.

- e. Evidence that the cannabis testing laboratory is authorized by the landowner to operate in the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this Division and consents to the operation of the cannabis testing lab on the owner's property.
- f. A storage and transportation plan approved by the Chief of Police or his/her designee, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- g. A site inspection, and security and safety plan approved by the Chief of Police or his/her designee, that is sufficient to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the cannabis testing lab.
- h. A cannabis waste and discharge plan that ensures that cannabis sample remnants are disposed of in a manner that is consistent with state law, and is approved by the Chief of Police or his/her designee.
- i. A description of business structure of the applicant (i.e., corporation, partnership, etc.), a copy of all business formation documents and all documents filed with the secretary of state, and a list of every fictitious name business is operating under.
- j. The name of the primary contact for the Applicant, as well as the mailing & physical address of property, federal Employer Identification Number, and the legal business name of applicant.
- k. For all Owners: his or her name, percent ownership in the applicant as well as his or her title, mailing address, phone number, email address, copy of government issues identification, percent ownership in any other commercial cannabis activity, and social security number.
- l. For all Owners: a detailed description of any and all criminal convictions, the date of the criminal conviction(s), the date(s) of incarceration, probation, and/or parole. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Convictions dismisses under Penal Code section 1203.4 or equivalent non-California law must also be disclosed. In addition, the applicant and all owners must complete a live scan and submit to a

criminal background check, which shall be reviewed and approved by the Chief of Police.

- m. A copy of the testing laboratory's certificate(s) of accreditation and/or application(s) for certificate(s) of ISO/IEC 17025 accreditation, in compliance with state law. In the event the applicant only provides evidence of an ISO/IEC application, the applicant must demonstrate a good faith effort towards receiving final accreditation approval within a reasonable amount of time. Failure to do so may be a basis for permit suspension or revocation, or denial of a request for permit renewal.
 - n. Whether the applicant or any of the testing lab owners has been denied a license or had a license suspended or revoked by the state or any other local jurisdiction. In the event a license has been denied, suspended or revoked, the applicant shall provide details relating to the type of license applied for, the name of the licensing authority denied, suspended or revoked, and the date of denial, suspension, or revocation.
 - o. A detailed list of all loans to, gifts to, and investments in the applicant, along with a list of all funds belonging to the applicant held in savings, checking or other accounts maintained by a financial institution.
 - p. A detailed list of every individual who has a financial interest in the cannabis testing laboratory, as defined by state law, who is not an owner as defined by Business and Professions Code 26001(a1).
 - q. For each and every owner, as that term is defined under Business & Professions Code section 26001(a1), as may be amended from time to time, attestation to the following: "Under penalty of perjury, I hereby do declare that the information contained within the application is complete, true, and accurate. I understand that any misrepresentation on this application is cause for its rejection, denial of a license, or revocation of a license."
 - r. Any other additional information requested by the City Manager or his or her designee.
2. The City Manager or his/her designee shall either deny or approve, conditionally approve, or deny the application within 60 days of the application being deemed complete. The City Manager's decision shall be final. The City Manager or his/her designee shall provide the applicant with written notice of his/her decision.
- a. If an application is denied, a new application may not be filed for one (1) year from the date of the denial.

- b. If a cannabis testing laboratory permit is approved or conditionally approved, it shall only be valid for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided in Section 4-22-11. The cannabis testing lab permit shall not run with the land and shall not create any rights to continue with the use of the property as a cannabis testing laboratory, except as specifically set forth herein.
 - c. City Manager retains full authority to deny application for a permit or renewal in the event that he/she determines any of the following: (i) the applicant has not provided the information required on the application form pursuant to this Division; (ii) the application has falsified or misrepresented any part of the application; (iii) the applicant has previously failed to comply with the operating procedures set forth in Section 4-22-0008; or (iv) there is an overconcentration of testing lab facilities in the area which the applicant has proposed to locate the facility.
 - d. The City Manager, in his/her discretion, may refer the decision to permit, conditionally permit or deny any application for a permit or renewal to the City Council.
- 3. Prior to commencing operations, the cannabis testing laboratory and its owners and operators shall:
 - a. Obtain any and all required land use entitlements and approvals and comply any California Environmental Quality Act requirements related thereto.
 - b. Be subject to a mandatory building inspection, and obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining any required building permit(s), certificates of occupancy, Fire Department approvals, Health Department approvals and other zoning and land use permit(s) and approvals.
 - c. If the City Manager or his/her designee determines it is necessary, enter into a community benefit agreement with the City setting forth the terms and conditions under which the cannabis testing lab facility will operate that are in addition to the requirements of this chapter, including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety and welfare.
 - d. Execute an agreement, in a form approved by the City Attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the

City of Irvine, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance or failure to issue a cannabis testing laboratory permit, the City's decision to approve or its refusal to approve the operation of the cannabis testing lab or activity, to process used by the City in making its decision, or the alleged violation of any federal, state or local laws by the cannabis testing lab or any of its officers, employees or agents.

- e. Obtain and consistently maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the City Attorney.
- f. Reimburse the City of Irvine for all costs and expenses, including but not limited to attorney fees and costs, which the City of Irvine may be required to pay as a result of any legal challenge related to the City's approval or refusal to approve the applicant's cannabis testing lab permit, or related to the City's approval or failure to approve of a cannabis testing lab activity. The City of Irvine may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.
- g. Pay all fees and charges required by the City or any other local or State agency required for the operation of a cannabis testing laboratory.
- h. Comply with all state and local laws and regulations, including but not limited to the requirements of this Chapter and of the permit.
- i. Obtain a valid state license allowing for the operation of a cannabis testing laboratory.
- j. Apply for and obtain a City of Irvine business license.

Section 4-22-008 Operational Requirements

Each cannabis testing laboratory shall comply with each of the following operational requirements. Failure to do so may be grounds for permit suspension or revocation pursuant to Section 4-22-010, and/or denial of a permit renewal application.

1. Conform with the City's general plan, any applicable specific plans, master plans, and design requirements.
2. Comply with all applicable zoning and related development standards.

3. Be constructed in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.
4. Be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.
5. Be served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
6. Be provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.
7. Continue to maintain sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the cannabis testing lab, consistent with state law and subject to the approval of the Chief of Police.
8. The cannabis testing lab shall cooperate with the City whenever the City Manager or his/her designee(s) makes a request, upon reasonable notice to the cannabis testing lab, to inspect or audit the effectiveness of any security plan or of any other requirement of this Division.
9. A cannabis testing lab shall notify the Chief of Police or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
 - a. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the Chief of Police or his/her designee(s).
 - b. Diversion, theft, loss, or any criminal activity involving the cannabis testing lab or any agent or employee of the cannabis testing lab.
 - c. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the cannabis testing lab.
 - d. Any other breach of security.
10. Pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each cannabis testing lab shall cooperate with City with respect to any reasonable request to audit the cannabis testing lab's books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of taxes required to be paid during any period.

11. Maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. Each cannabis testing lab shall allow City of Irvine officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City. The City may require the materials to be submitted in an electronic format that is compatible with the City's software and hardware.
12. Prohibit the consumption or sampling of cannabis by any testing lab employee, visitor, operator or vendor on the premises of the cannabis testing lab.
13. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a cannabis testing lab permit, or on any of the vehicles owned or used as part of the cannabis testing lab. No outdoor storage of cannabis or cannabis products is permitted at any time. Any and all signage and notices at the property must be consistent with state law and the City's Zoning Code.
14. Create a management inventory tracking system to track and report on all aspects of the cannabis testing lab including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The cannabis testing lab shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Any system selected must be consistent with state law.
15. Provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
16. Prohibit any person under the age of twenty-one (21) years old from entering upon the cannabis testing laboratory premises or be employed by the laboratory. The entrance to the cannabis testing lab shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the cannabis testing lab.
17. Display the original copy of the cannabis testing lab permit issued by the City and the State, as well as the City Business License inside the cannabis testing lab in a location readily-visible to the public.

18. Prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
19. Conduct all testing in a manner pursuant to Business and Professions Code 26100 and subject to state and local law.
20. Prohibit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the cannabis testing lab, and prohibit the sale of all tobacco products on the premises of the cannabis testing lab.
21. The City Manager or his/her designee may develop other cannabis testing lab operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

Section 4-22-009. Expiration of Cannabis Testing Lab Permits.

Each cannabis testing lab permit issued pursuant to this Chapter shall expire twelve (12) months after the date of its issuance. Cannabis testing lab permits may be renewed as provided in Section 4-22-011.

Section 4-22-010. Suspension or Revocation of Permits.

Cannabis testing lab permits may be suspended or revoked by the City Manager for any violation of any State or local law, rule, regulation and/or standard, including but not limited to the requirements set forth in this Division, the City's Municipal Code, and the City's Zoning Code. Cannabis testing lab permits may be suspended or revoked by the City Manager if it is determined that the Applicant falsified or misrepresented information on its cannabis testing lab permit application and/or for its failure to comply with the operating requirements set forth in Section 4-22-008.

Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a cannabis testing lab to operate within the City. The City may, in its sole and absolute discretion, reinstate the testing laboratory permit if the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a cannabis testing lab, such revocation or termination shall also revoke or terminate the ability of a cannabis testing lab to operate within the City of Irvine.

The City Manager's determination to suspend or revoke a permit may be appealed pursuant to Section 4-22-012 *et seq.*

Section 4-22-011. Renewal Applications.

- (a) An application for renewal of a cannabis testing lab permit shall be filed at least sixty (60) calendar days prior to the expiration date of the current permit.
- (b) The renewal application shall contain all the information required for new applications, and shall be subject to the same site inspection and city staff approvals required for new applications.
- (c) The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the City to administer the program created under this Division.
- (d) An application for renewal of a cannabis testing lab permit may be rejected for any reason, including but not limited to the following:
 - (1) The application is filed less than sixty (60) days before its expiration.
 - (2) The cannabis testing lab permit is suspended or revoked at the time of the application.
 - (3) The cannabis testing lab has not been in regular and continuous operation in the four (4) months prior to the renewal application.
 - (4) The cannabis testing lab has failed to conform to the requirements of this Division, or of any regulations adopted pursuant to this Division.
 - (5) The permittee fails or is unable to renew its State of California license.
 - (6) The City or State has determined that the permittee or applicant is in violation of the requirements of this Chapter, of the City's Municipal Code, or of the State rules and regulations, and the City or state has determined that the violation is grounds for termination or revocation of the cannabis testing lab permit.
- (e) The City Manager or his/her designee(s) is authorized to make all decisions concerning the issuance and/or renewal of a cannabis lab permit. In making the decision, the City Manager or his/her designee(s) is authorized to impose additional conditions to any permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his/her designee(s) shall be handled pursuant to Section 4-22-012 *et seq.*

- (f) If a renewal application is rejected, a person may file a new application pursuant to this Chapter no sooner than one (1) year from the date of the rejection.

Section 4-22-012. Appeals

Unless specifically provided elsewhere to the contrary, whenever an appeal is provided for in this Division from a decision of the City Manager or his/her designee(s), the appeal shall be conducted as prescribed in this Division.

Section 4-22-013. Written request for Appeal.

- (a) Within ten (10) calendar days after the date of a decision of the City Manager or his/her designee(s) to revoke, suspend or deny a permit, or to add conditions to a permit, the applicant may appeal such action by filing a written appeal with the City Clerk setting forth the reasons why the decision was not proper.
- (b) At the time of filing, the appellant shall pay the designated appeal fee, established by resolution of the City Council from time to time.

Section 4-22-014. Appeal Hearing.

- (a) Upon receipt of the written appeal, the City Clerk shall set the matter for a hearing before the City Council. The City Council shall hear the matter de novo, and shall conduct the hearing pursuant to the procedures set forth by the City.
- (b) The appeal shall be held within a reasonable time after the date of filing. The City shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- (c) At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- (d) At the conclusion of the hearing the City Council may affirm, reverse or modify the decision appealed. The decision of the City Council shall be final.

Section 4-22-015 Change in information; updated registration form.

Within ten (10) calendar days of any other change in the information provided in the cannabis testing lab permit application form or any change in status of compliance with the provisions of this Division, the applicant shall file an updated application form with

the City Manager or his/her designee(s) for review along with an application amendment fee.

Section 4-22-016. Transfer of Cannabis Business Permit and Changes in Ownership Prohibited.

- (a) The owner of a cannabis testing lab permit shall not transfer ownership or control of the cannabis testing lab permit to another person or entity.
- (b) Changes in ownership of a permittee's business structure or a substantial change in the ownership of a permittee business entity (changes that result in a change of more than 51 percent of the original ownership) are prohibited.
- (c) A permittee may change the form of business entity, provided that either the membership of the new business entity is substantially similar to original permit holder business entity (at least 51 percent of the membership is identical), provided the permit holder is required to notify the City Manager in writing of the change within ten (10) days of the change. Failure to comply with this provision is grounds for permit revocation.
- (d) Any attempt to transfer a cannabis testing lab permit or change the ownership of the permittee's business structure either directly or indirectly in violation of this section is hereby declared void, and such a purported transfer shall be deemed a ground for revocation of the permit.

Section 4-22-017. Promulgation of Regulations, Standards and Other Legal Duties.

In addition to any regulations adopted by the City Council, the City Manager or his/her designee is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of cannabis testing lab permits, the ongoing operation of cannabis testing labs and the City's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this Chapter.

Section 4-22-018. Fees Deemed Debt to City of Irvine.

The amount of any fee, cost or charge imposed pursuant to this Chapter shall be deemed a debt to the City of Irvine that is recoverable via an authorized administrative process as set forth in the Municipal Code, or in any court of competent jurisdiction.

Section 4-22-019. Permit Holder, Owners, Operators Responsible for Violations.

The person to whom a permit is issued pursuant to this Chapter, as well as each and every owner and operator of a cannabis testing laboratory shall be responsible for all

violations of the laws of the State of California or of the regulations and/or the ordinances of the City of Irvine, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the cannabis testing lab whether or not said violations occur within the permit holder's presence.

Section 4-22-020. Inspection and Enforcement.

- (a) The City Manager, Chief of Police or his/her designee(s) charged with enforcing the provisions of the Irvine Municipal Code, or any provision thereof, may enter the location of a cannabis testing lab at any time, without notice, and inspect the location of any cannabis testing lab as well as any recordings and records required to be maintained pursuant to this Division or under applicable provisions of State law.
- (b) It is unlawful for any person having responsibility over the operation of a cannabis testing lab, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a cannabis testing lab under this Division or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a cannabis testing lab under this Division or under state or local law.

Section 4-22-021. Violations declared a public nuisance.

Each and every violation of the provisions of this Division is hereby deemed unlawful and a public nuisance.

Section 4-22-022. Each violation a separate offense.

Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Irvine Municipal Code. Additionally, as a nuisance per se, any violation of this Chapter shall be subject to injunctive relief, any permit issued pursuant to this Chapter being deemed null and void, disgorgement and payment to the City of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The City of Irvine may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the cannabis testing lab or persons related to, or associated with, the cannabis testing lab activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the City Manager, Chief of Police or his/her designee(s), may take immediate action to temporarily suspend a cannabis testing lab permit issued by the City, pending a hearing before the City Council.

Section 4-22-023. Criminal Penalties.

Each and every violation of the provisions of this Chapter may in the discretion of the District Attorney be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000) or imprisonment in the county jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense.

Section 4-22-024. Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The City is authorized to pursue any proceedings or remedies provided by law.

SECTION 3: CEQA Determination. In adopting this Ordinance, the City Council finds that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 California Code of Regulations Sections 15061(b)(3) and 15378, in that it can be seen with certainty that the Municipal Code amendments propose no activity that may have a significant effect on the environment and will not cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In addition, the adoption of the proposed ordinance is exempt under the California Environmental Quality Act pursuant to Business & Professions Code section 26055(h), because, if approved, it will require all applicants to comply with CEQA prior to the issuance of the cannabis testing lab permit.

SECTION 4: If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

PASSED AND ADOPTED by the City Council of the City of Irvine at a regular meeting held on the _____ day of _____ 2018.

MAYOR OF THE CITY OF IRVINE

ATTEST:

CITY CLERK OF THE CITY OF IRVINE

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, Molly McLaughlin, City Clerk of the City of Irvine, HEREBY DO CERTIFY that the foregoing Ordinance was introduced for first reading on the 23rd day of January 2018, and duly adopted at a regular meeting of the City Council of the City of Irvine held on the ____ day of _____ 2018.

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

CITY CLERK OF THE CITY OF IRVINE

3.11

RECEIVED
CITY OF IRVINE
CITY CLERK'S OFFICE

2018 FEB -5 PM 4: 44

Memo

RECEIVED

FEB 05 2018

CITY OF IRVINE
CITY MANAGER'S OFFICE

To: Grace Leung, City Manager Pro Tempore
From: Christina Shea, Mayor Pro Tem 
Date: February 6, 2018
Re: **Community Partnership Fund Grant Nomination**

In accordance with City Council Resolution No. 08-42, I am requesting the City Council approve an \$850 community partnership grant award to Tender Touch Ministries in support of program costs.

Tender Touch Ministries is a non-profit organization dedicated to providing the necessary resources that prevent and end homelessness; to heighten awareness about the root causes of this major epidemic; to serve everyone with great respect, grace, and integrity.

Should the City Council approve this request, the organization will enter into a Funding Agreement with the City that specifies the grants use of funds, reporting requirements and regulatory compliance.

I would like to place this item on the February 13 City Council agenda to approve this community partnership grant award and authorize the City Manager to prepare and execute a Funding Agreement.

cc: Irvine City Council
Molly McLaughlin, City Clerk

4.1



REQUEST FOR CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: MINUTES

Secretary

RECOMMENDED ACTION:

Approve the minutes of the regular joint meeting of the City of Irvine as
Successor Agency to the dissolved Irvine Redevelopment Agency with the Irvine
City Council held on January 23, 2018.



MINUTES

**CITY COUNCIL
REGULAR MEETING
AND
REGULAR JOINT MEETING
WITH THE
CITY OF IRVINE AS SUCCESSOR
AGENCY TO THE DISSOLVED
IRVINE REDEVELOPMENT AGENCY**

**January 23, 2018
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606**

CALL TO ORDER

The regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency was called to order at 4:12 p.m. on January 23, 2018 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor/Chairman Wagner presiding.

ROLL CALL

Present:	4	Councilmember/Boardmember:	Melissa Fox
		Councilmember/Boardmember:	Jeffrey Lalloway
		Mayor Pro Tempore/Vice Chairwoman:	Christina Shea
		Mayor/Chairman:	Donald P. Wagner

Absent:	1	Councilmember/Boardmember:	Lynn Schott
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Mayor Wagner noted that Councilmember/Boardmember Schott would not be attending the meeting due to the illness of a family member.

PLEDGE OF ALLEGIANCE

Mayor Wagner led the Pledge of Allegiance.

INVOCATION

Pastor Kyle Zimmerman from Mariners Church in Irvine provided the invocation.

CITY MANAGER'S REPORT

There was no report.

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Councilmember Fox invited the community to join her on a wilderness hike on Friday, January 26 from 8 – 11 a.m. through the Limestone Canyon Nature Preserve. RSVP is required. For information, visit letsgooutside.org.

Councilmember Lalloway expressed his best wishes to the Philadelphia Eagles for a successful win on Super Bowl Sunday.

Mayor Wagner made the following announcements:

- With the upcoming Special Municipal Election on June 5, 2018, additional ballot measures may be forthcoming as part of a housekeeping effort to amend certain City ordinances and policies.
- The City of Irvine, in partnership with United Way of Orange County, is offering free tax preparation services from January 30 through April 12. Taxpayers who live, work, or attend school in Irvine and earned less than \$60,000 in 2017 are eligible to receive help electronically filing their tax returns from IRS-trained and certified volunteers. For information or to schedule an appointment, call 888-434-8248, or visit cityofirvine.org or unitedway.org.
- The City will launch a new recreation management software system on February 15. A new online class registration site is available now at yourirvine.org that allows residents to create accounts and serve as the central location for information on City classes, activities, events and facilities. The new site features benefits that include search and filtering capabilities, mobile-friendly access, activity reminders and easier account creation. Learn more by visiting yourirvine.org.

- The City of Irvine's Meals on Wheels program is seeking volunteers to assist older adults in maintaining their independence by providing hot, nutritious meals to homebound seniors. Volunteer opportunities include meal delivery drivers, weekdays from 10:30 a.m. to 1 p.m., and preparing and packaging meals, weekdays from 8 a.m. to noon. For information, call Community Services Senior Leader Jackie Friday at 949-724-6923 or jvargas@cityofirvine.org, or visit cityofirvine.org/mow.

ADDITIONS AND DELETIONS

There were no additions or deletions to the agenda.

CONVENE TO THE REGULAR JOINT MEETING

Mayor/Chairman Wagner convened to the regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency at 4:20 p.m.

1. CONSENT CALENDAR - CITY COUNCIL

ACTION: Moved by Councilmember/Boardmember Lalloway, seconded by Mayor Pro Tempore/Vice Chairwoman Shea, and unanimously carried by those members present (Councilmember/Boardmember Schott absent) to approve City Council Consent Calendar Item Nos. 1.1 through 1.6, and Successor Agency Consent Calendar Item Nos. 2.1 and 2.2, with the exception of City Council Consent Calendar Item Nos. 1.3 and 1.5, which were removed for separate discussion.

1.1 MINUTES

ACTION:

Approved the minutes of a regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency held on January 9, 2018.

1.2 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION:

Adopted RESOLUTION NO. 18-08 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

1.3 BUDGET ADJUSTMENT FOR SPECIAL MUNICIPAL ELECTION AND REFERENDUM PETITION SIGNATURE EXPENSES

This item was removed at the request of Councilmember Lalloway, who expressed his opposition and asked for a separate vote on the item.

There was no discussion.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

Approve a budget adjustment in the amount of \$281,278, for a one-time allocation of funds for referendum signature verification costs and corresponding June 5, 2018, Special Municipal Election administration expenses from the General Fund Contingency Reserve.

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

1.4 CITY ATTORNEY SERVICES AGREEMENT WITH RUTAN & TUCKER, LLP - AMENDMENT NO. 2

ACTION:

Authorized the Mayor to sign Amendment No. 2 to the agreement for City Attorney Services with the law firm of Rutan & Tucker, LLP, modifying the term of the agreement to provide for services on a month to month basis, until otherwise directed by the City Council. **(Contract No. 9079B)**

1.5 ORANGE COUNTY GREAT PARK SPORTS PARK SCOREBOARD AND SIGNAGE AGREEMENT

This item was removed at the request of Councilmember Lalloway, who expressed his opposition and asked for a separate vote on the item.

There was no discussion.

ACTION: Moved by Mayor Pro Tempore Shea, seconded by Councilmember Fox, to:

Authorize the Mayor to execute the Orange County Great Park Sports Park Scoreboard and Signage Agreement between the City of Irvine and Heritage Fields. **(Contract No. 10053)**

The motion carried as follows:

AYES: 3 COUNCILMEMBERS: Fox, Shea and Wagner

NOES: 1 COUNCILMEMBERS: Lalloway

ABSENT: 1 COUNCILMEMBERS: Schott

1.6 NOTICE OF REVIEW AND PENDING APPROVAL FOR TRACT MAPS IN LOS OLIVOS, IRVINE BUSINESS COMPLEX AND GREAT PARK NEIGHBORHOODS (HERITAGE FIELDS EL TORO, LLC)

ACTION:
Received and filed.

2. CONSENT CALENDAR - SUCCESSOR AGENCY

2.1 MINUTES

ACTION:
Approved the minutes of the regular joint meeting of the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency with the Irvine City Council held on January 9, 2018.

2.2 SUCCESSOR AGENCY LEGAL SERVICES AGREEMENT WITH RUTAN & TUCKER, LLP – AMENDMENT NO. 2

ACTION:
Authorized the Chairman to sign Amendment No. 2 to the agreement for Successor Agency Legal Services with the law firm of Rutan & Tucker, LLP, modifying the term of the agreement to provide for services on a month to month basis, until otherwise directed by the City Council. **(Contract No. 9080B)**

PUBLIC COMMENT - SUCCESSOR AGENCY

There were no public comments.

ADJOURNMENT - REGULAR JOINT MEETING

Moved by Councilmember/Boardmember Fox, seconded by Mayor Pro Tempore/Vice Chairwoman Shea, and unanimously carried by those members present (Councilmember/Boardmember Schott absent) to adjourn the regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency at 4:23 p.m.

CHAIRMAN, SUCCESSOR AGENCY

February 13, 2018

SECRETARY, SUCCESSOR AGENCY

4.2



REQUEST FOR CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: WARRANT AND WIRE TRANSFER RESOLUTION – CITY
COUNCIL AS SUCCESSOR AGENCY TO THE DISSOLVED
IRVINE REDEVELOPMENT AGENCY


Director of Administrative Services


City Manager

RECOMMENDED ACTION

Adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ALLOWING CERTAIN CLAIMS AND DEMANDS OF THE CITY COUNCIL AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

EXECUTIVE SUMMARY

On December 29, 2011, the California Supreme Court upheld Assembly Bill x1 26 (the Dissolution Act) and directed that all redevelopment agencies in the state be dissolved effective February 1, 2012. On January 10, 2012, the City Council elected to become the Successor Agency to the Irvine Redevelopment Agency. As the Successor Agency, the City will wind down the affairs of the former redevelopment agency, including the payment of invoices for services related to the dissolution.

The attached Register of Warrants and Wire Transfers contain payments totaling \$9,377.50 to the City of Irvine for administrative costs. The payments will be released on Wednesday, February 14, 2018.

ATTACHMENT Resolution

SUCCESSOR AGENCY RESOLUTION NO. 18-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ALLOWING CERTAIN CLAIMS AND DEMANDS OF THE CITY COUNCIL AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

(SEE ATTACHED)

PASSED AND ADOPTED by the City Council of the City of Irvine, as Successor Agency to the dissolved Irvine Redevelopment Agency, at a regular meeting held on the 13th day of February 2018.

CHAIR, SUCCESSOR AGENCY

ATTEST:

SECRETARY, SUCCESSOR AGENCY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, MOLLY MCLAUGHLIN, Secretary to the Successor Agency, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Irvine, as Successor Agency to the dissolved Irvine Redevelopment Agency, held on the 13th day of February 2018.

AYES: BOARDMEMBERS:
NOES: BOARDMEMBERS:
ABSENT: BOARDMEMBERS:

SECRETARY, SUCCESSOR AGENCY

SUCCESSOR AGENCY 18-

ATTACHMENT

1/3/2018 through 1/9/2018

**City of Irvine as Successor Agency to the Irvine Redevelopment Agency
Register of Warrants and Wire Transfers**

Fund	Fund Description	Amount
791	REDEVELOPMENT OBLIGTN RET	9,377.50
	GRAND TOTAL	9,377.50

5.1



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: HERITAGE COMMUNITY PARK IMPROVEMENTS MASTER PLAN
SCOPING SESSION


Director of Community Services


City Manager

RECOMMENDED ACTION

Discuss and provide direction regarding the preparation and scope for the Heritage Community Park Improvements Master Plan.

EXECUTIVE SUMMARY

Built in 1975, Heritage Community Park is a site identified in the Parks Master Plan as a priority candidate for renovation due to its age and status as a primary service and recreation provider for the community. The City's Capital Improvement Program (CIP) includes funding for preparation of a Heritage Community Park Improvements Master Plan.

The City is ready to issue a Request for Proposals (RFP) to develop a comprehensive master plan for Heritage Community Park, including the Irvine Fine Arts Center, Community Center and Heritage Park Regional Public Library (Heritage Park Library). Similar to study sessions that are conducted for General Plan Amendments and environmental reviews, this study session will provide the City Council with an overview of the project's proposed scope of work; answer City Council questions related to the park and master plan process; and receive City Council feedback prior to RFP release.

ANALYSIS

Background

Heritage Community Park initially opened in the late 1970s; most of the Park's facilities existing today were constructed between 1978 and 1988. The approximate 44-acre park offers a variety of popular programs, services and recreation amenities for the community such as fine arts, youth employment assistance, soccer fields, baseball fields, tennis courts, playgrounds and a lake, among others.

In June 2017, the City Council approved the *City of Irvine Parks Master Plan* (Parks Master Plan), a long-range planning document for the continued development, maintenance and operation of the City's public park system. The Parks Master Plan identifies Heritage Community Park as one of several key sites within the City with potential enhancement opportunities.

Heritage Community Park Improvements Master Plan

A majority of the facilities at Heritage Community Park are in need of renovation and modernization. Given the age, size, and the scope of facilities/amenities/services provided, the Parks Master Plan recommends the City take a holistic, comprehensive approach to its renovation rather than considering specific improvements in a piecemeal fashion.

The proposed RFP will seek professional services for the development of a comprehensive Heritage Community Park Master Plan (Heritage Master Plan). The Heritage Master Plan will include the preparation of a conceptual design/site plan along with two alternative designs and phasing plan for City Council consideration. As part of this project, the selected consultant will examine the following facilities:

- Heritage Park Community Center
- Irvine Fine Arts Center
- Youth Programs Office
- Child Resource Center
- Heritage Park Library

See Attachment 1 for a brief description of each facility. In addition, the project will evaluate the possibility of the following:

- Enhancing the lake area
- Renovating play areas
- Enhancing site access, circulation, and parking
- Updating landscaping with drought tolerant and native plantings to encourage water conservation

As shown in Attachment 2, Heritage Park encompasses facilities spanning multiple jurisdictions. As such, the project's scope of work will include significant public engagement and agency coordination efforts.

The project will include a robust public engagement plan that includes reaching out to surrounding residential communities, special interest groups, athletic organizations, and other park users. In addition, City staff will work closely with Irvine Unified School District and Orange County Public Libraries throughout the Heritage Park master planning efforts. Extensive public outreach will help facilitate development of a comprehensive and inclusive master plan.

Tentative Project Schedule

After receiving City Council feedback, staff anticipates releasing the Heritage Community Park RFP for master planning services later this month. Following consultant selection, the anticipated start of the project is in late spring. Public outreach to obtain feedback on a conceptual design/site plan may occur at the beginning of 2019; anticipated completion of a final design/site plan and phasing plan is in the fall 2019. Staff will continue to update the City Council on the project as it progresses.

FINANCIAL IMPACT

As part of the Fiscal Year 2017-18 Budget, the City Council adopted the FY 2018-2022 Capital Improvement Program, which consolidated several Heritage Community Park improvement projects funded in prior years. As a result, a consolidated total of \$2,621,362 for one Heritage Park Improvement CIP Project (CIP No. 361618) includes \$500,000 for this master planning effort. Funding for final design and construction costs identified pursuant to the master plan will need to be identified and allocated through the CIP budget process. City library contributions set aside by the County are a potential funding source for Heritage Park Library improvements.

REPORT PREPARED BY

Darlene Nicandro, Project Administrator
Kathleen Haton, Senior Planner

ATTACHMENTS

1. Brief Description of Heritage Community Park Facilities
2. Jurisdictional Map of Heritage Community Park

BRIEF DESCRIPTION OF HERITAGE COMMUNITY PARK FACILITIES

Heritage Park Community Center

Built in 1978, the 19,772-square foot building supports such programs and services as early childhood education, after school programs, camps, contract classes and youth action team activities. From September to June each year, approximately 15,000 visitors use the facility; this number can increase to approximately 20,000 visitors during the summer season. Four full time, three extended part time and 50 part time employees staff the facility.

Irvine Fine Arts Center

Built in 1979, the Irvine Fine Arts Center is approximately 18,600 square feet in size. Programs and services include art classes, open studio programs, events and exhibitions for all ages. Six full time, four extended part time, 20 part time employees staff the facility.

Youth Programs Office

Built in 1998, the 3,000-square foot facility provides youth employment services for teens and young adults from ages 15 to 25. Through workshops, resume building, mock interviews and job leads, staff help with skill development, job searches and empowerment. This building also provides work stations for the middle school youth action team staff. Three full time and 11 extended part time employees staff the facility.

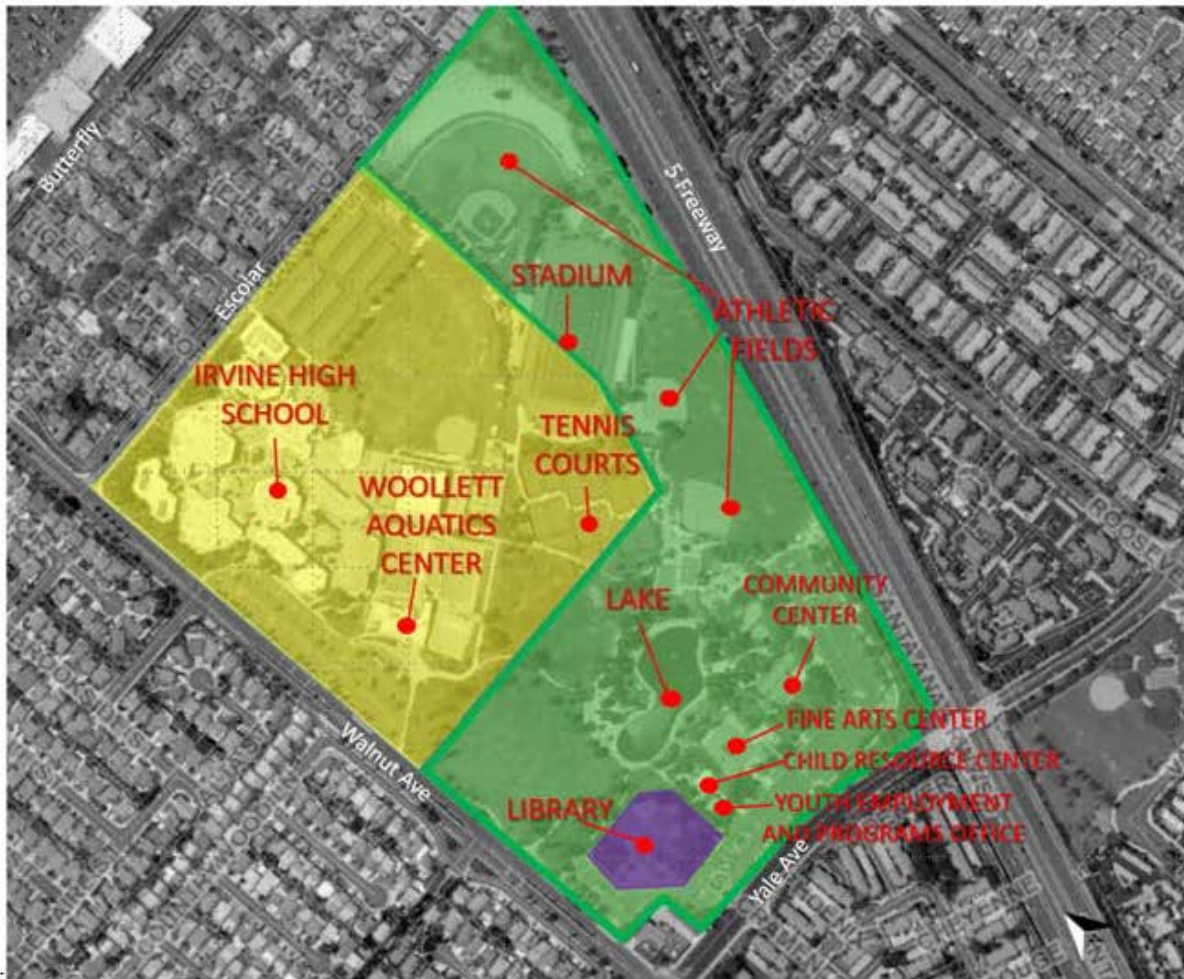
Child Resource Center

Built in 1988, the 3,000-square foot facility provides programs and services for 26 child care sites, the Irvine Community Nursery School, Irvine Child Care Program and child care coordination. Child development resources and a lending library exist on-site. Five full time and two extended part time employees staff the Child Resource Center.

Heritage Park Library


Built in 1988, the approximately 21,000-square foot library is located on City land yet operated and maintained by the County of Orange. Orange County Public Libraries has completed a preliminary evaluation of Heritage Park Library and provided City staff with two design concepts, including cost estimates, to renovate and expand the library.


HERITAGE COMMUNITY PARK JURISDICTIONAL MAP



 IUSD property

INCLUDED IN MASTER PLAN SCOPE OF WORK

 City property

 City property/County lease

5.2



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: FEBRUARY 13, 2018

TITLE: IRVINE ANIMAL CARE CENTER CONCEPT PLANS UPDATE

Director of Community Services

City Manager

for Director of Public Works

RECOMMENDED ACTIONS

1. Authorize staff to initiate a Request for Proposals for the design of a new Animal Care Center at the existing site, and for design of a temporary center and three new dog parks.
2. Direct that the City Council Animal Care Center Subcommittee continue to work with staff to develop scope and construction cost estimates for the new Center, a temporary center at the City's existing dog park site (Bark Park), and for three new satellite dog parks to provide new community amenities and off-set the temporary use of the existing dog park site.

EXECUTIVE SUMMARY

Conceptual plans for the replacement and/or renovation of the existing Irvine Animal Care Center were prepared by the City's consultant and reviewed by the City Council Animal Care Center Subcommittee (Subcommittee). The members of the Subcommittee are Councilmembers Jeffrey Lalloway and Lynn Schott. The concept plans and related background information considered by the Subcommittee is included as Attachment 1. It is recommended that the City Council pursue the next steps outlined in this report for replacement of the existing Animal Care Center with a new facility at the existing site in lieu of renovation.

COMMISSION/BOARD/COMMITTEE RECOMMENDATION

Staff has coordinated with the Subcommittee during the preparation of the concept plans and in the formulation of the recommendations presented above for City Council consideration.

ANALYSIS

In June 2015, as part of the City Council's adoption of the Fiscal Year 2015-16 budget, staff was directed to prepare conceptual design plans for the replacement and/or renovation of the City's Animal Care Center and to engage the Subcommittee to work with staff during the initial process. A consultant team comprised of Griffin Structures, Inc./Rauhaus Freeddenfeld & Assoc. (RFA) Architects was retained, through a competitive Request for Proposals process, to prepare the conceptual plans. Dr. Jyothi Robertson/JVR Shelter Strategies was also retained to provide her expert input on operational considerations. Dr. Robertson had previously been engaged by the City to conduct an operational assessment for the Animal Care Center.

To determine the feasibility of both a renovation and a replacement option on the current site, and to appropriately compare estimated costs and construction constraints, a set of design assumptions was developed. These assumptions included expanding the facility to accommodate a 10 percent growth in animal population; an increase in space for reception, retail, office/administration, multipurpose and training; separate areas for intake of owner requested euthanasia and adoptions; and appropriate medical/veterinary clinical facility space. These assumptions were used for comparison purposes only and will be refined during the design phase with City Council direction.

The consultant team also considered the option to continue operations on site during the construction activity (requiring construction phasing) and the possibility of temporarily moving operations offsite to facilitate uninterrupted construction on the existing site.

The consultant work product included:

- Site assessment and space component recommendations
- Evaluation of the current site footprint to determine its ability to meet future needs of the Center
- Preparation of concept plans for new and renovation options
- Cost estimates
- Project schedules

Based on this analysis, the consultant team determined:

- The existing site may accommodate either option (renovation or new construction)
- Both options require a 16 to 20-month time period for the final design and competitive bidding process (prior to construction)
- Project schedules for the construction period range between 18 months (if operations are moved off-site during construction) to 30 months (if operations are maintained on-site during construction)
- Estimated project costs range from \$20.5 to \$24.2 million, for renovation versus new construction, respectively.

The consultant team identified a number of factors regarding rehabilitation, which, in combination with budget estimates and construction schedules, ultimately led to the new construction option as the recommended option. These factors included:

- Challenges with retrofitting to comply with new building codes
- Uncertainty and unknown factors inherent with renovation construction
- Less flexibility for design elements and optimal operational work flow

The consultant team findings and concept plans (Attachment 1) assisted the Subcommittee in evaluating the benefits and challenges associated with renovation and new construction. The concept plans do not commit the City to a specific design or architectural feature for the proposed new or renovated facility. If the City Council chooses to move forward with development of final plans and construction documents, a new separate competitive procurement process for consultant services for design is recommended by staff.

Based on the Subcommittee review of the consultant team's work product and concept plans, staff is recommending construction of a new expanded facility at the existing location in lieu of renovation. It is also recommended that the City Council authorize construction of a temporary Animal Care Center facility at the City's Bark Park, located within walking distance of the existing Center. This temporary center will allow for relocation of animal care service operations during construction and facilitate expedited and uninterrupted construction of the new proposed Center at the existing site. Improvements to the existing dog park will be made once the animal care operation has been moved to its new facility. Staff will keep the community informed and provide opportunities for engagement as this project proceeds.

In consideration of Animal Care Center operations being established temporarily at the existing Bark Park site during construction, the Subcommittee requested that staff evaluate the potential of establishing new satellite dog parks elsewhere within the City to off-set service impacts. Community park sites such as Sweet Shade, Oak Creek, and Hicks Canyon have been identified by staff as potential locations for new dog parks. Dog parks are already planned for the Orange County Great Park Lower Bosque and Gateway Community Park.

The development of scope and construction cost estimates for the proposed temporary facility and proposed new dog parks was not included in the approved consultant services provided by Griffin Structures/RFA. Therefore, these services are included in the recommended actions. If the recommended actions are approved by the City Council, staff anticipates returning in May 2018 with the results of the Request for Proposals to initiate the design phase. Construction is anticipated to begin in 2019.

ALTERNATIVES CONSIDERED

The Subcommittee also considered the possibility of moving the existing Center to a new permanent location at other available City-owned sites in and around the Orange County Great Park. These off-site locations present drawbacks primarily due to

adjacency concerns that we do not have at the current location. The City Council may provide direction to staff to revisit the off-site locations. The City Council may also direct staff to pursue the renovation option instead of construction of a new facility or may direct staff to return with any additional information that the City Council deems appropriate or necessary to assist in providing policy direction for the future of the Animal Care Center facility.

FINANCIAL IMPACT

Funding in the amount of \$2,350,000 is available in the Fiscal Year 2017-18 capital improvement budget for the next project phases (preliminary design and final engineering). Funding for the construction phase would be presented for City Council appropriation with the next fiscal year budget based on the direction provided to staff. Funds in the Capital Improvement Projects Fund have been reserved for this purpose.

REPORT REVIEWED BY: Sharon Landers, Assistant City Manager

ATTACHMENTS

1. Concept Plans Feasibility Study by Griffin Structures/RFA



IRVINE ANIMAL CARE CENTER

ATTACHMENT 1



Feasibility Study Presentation

June 21, 2016



Agenda

1. Program Summary
2. Conceptual Approaches
3. Schedule
4. Cost Estimate
5. Questions / Answers



Program Summary

Building / Site Components	Square Feet
Reception / Retail Space	916 SF
Office / Admin Space	3,979 SF
Multipurpose Space	2,455 SF
Rabbits	248 SF
Small Mammal and Exotics	210 SF
Cats	4,810 SF
Dogs	7,657 SF
Medical Clinic	2,217 SF
Storage / Support / Sally Port Areas	2,878 SF
Exterior Covered Yards	4,775 SF
Subtotal Program SF	30,145 SF
Exterior Walls, Interior Partitions, Circulation, etc. @30%	9,044 SF
Total Program SF	39,189 SF

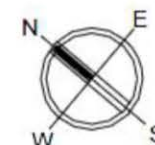


Conceptual Approaches

New Construction



New Construction



NEW CONSTRUCTION CONCEPT

SCALE: 1" = 50'-0"



PROGRAM & AREA KEY

BUILDING NO.1 10,500 GSF

- A. WAITING AREA - ADOPTIONS
- B. RETAIL
- C. ADMINISTRATION
- D. MULTI-PURPOSE
- E. RABBITS
- F. EXOTICS

BUILDING NO.2 14,345 GSF

- G. STORAGE
- H. CLINIC
- J. SALLY PORT
- K. SUPPORT AREAS
- L. WAITING AREA - SURRENDER/INTAKE
- M. CAT WARDS
- N. CAT COMMUNAL AREAS

DOG KENNEL COTTAGES 7,400 GSF

- O. ADOPTION DOG COTTAGES (3)
- P. NON-ADOPTABLE DOG COTTAGE

COVERED EXT. PROGRAM 10,686 GSF

CITY OF IRVINE
1971

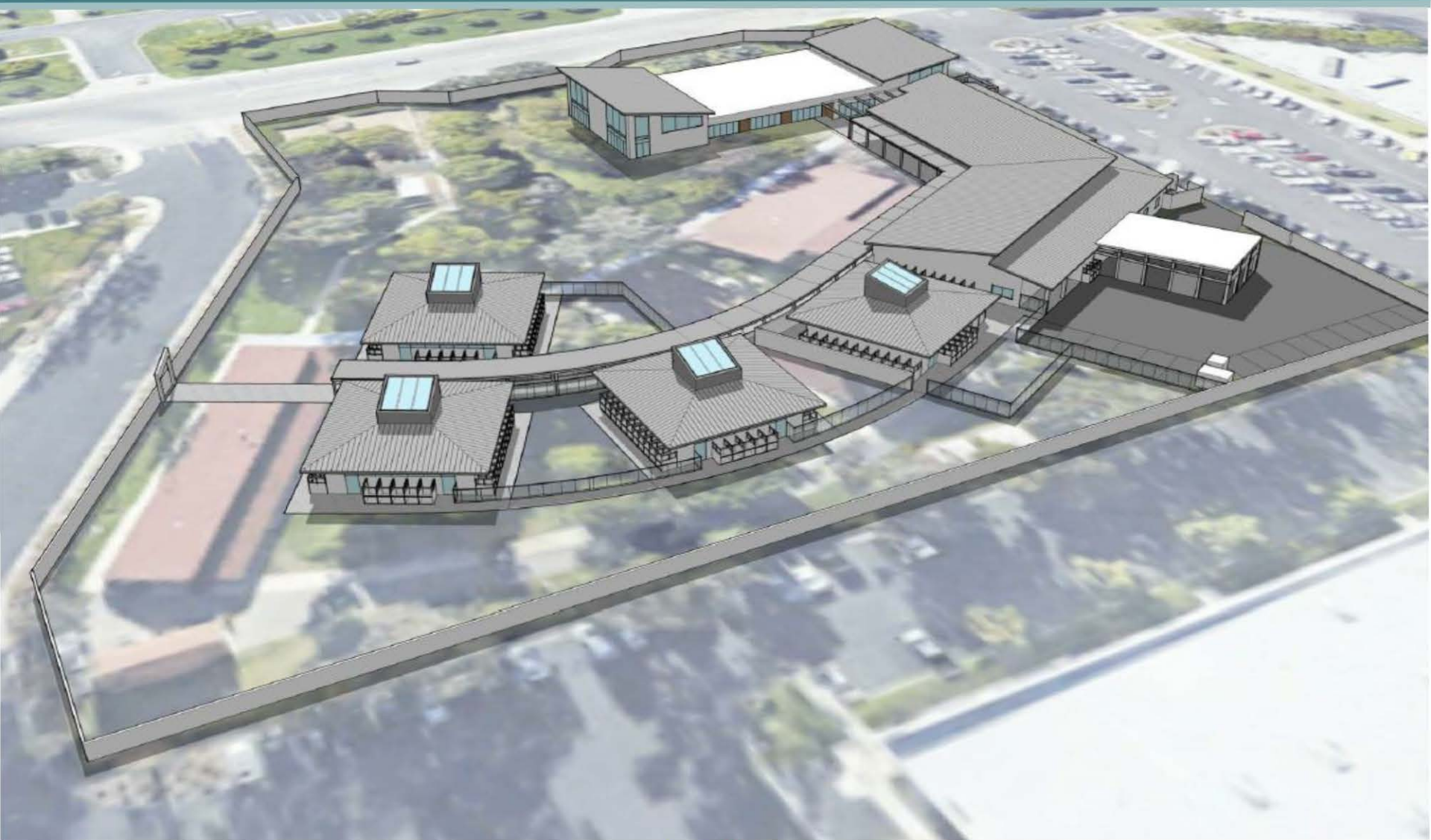
New Construction



NORTH VIEW



New Construction



WEST VIEW



New Construction



WEST VIEW



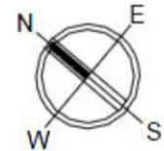
New Construction



VIEW TO ENTRANCE



New Construction



NEW CONSTRUCTION CONCEPT

SCALE: 1" = 50'-0"



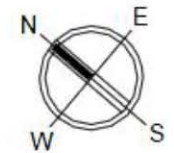
PROJECT PHASING KEY

1. a. CONSTRUCT BUILDING NO.1
b. CONSTRUCT(3) ADOPTION DOG COTTAGES
2. a. REMOVE EXISTING ADMINISTRATION BUILDING
b. REMOVE EAST DOG KENNEL PAVILION
3. a. CONSTRUCT BUILDING NO.2
b. CONSTRUCT NON-ADOPTABLE DOG COTTAGE
4. a. REMOVE EXISTING CATTERY/CLINIC
b. REMOVE WEST DOG KENNEL PAVILION

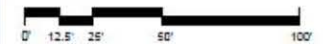


Conceptual Approaches

Renovation



SCALE: 1" = 50'-0"



WEST ADDITION 14,878 GSF

- A. WAITING AREA - ADOPTIONS
- B. RETAIL
- C. ADMINISTRATION
- D. MULTI-PURPOSE
- E. RABBITS
- F. EXOTICS
- L. WAITING AREA - SURRENDER/INTAKE
- M. CAT WARDS
- N. CAT COMMUNAL AREAS

EAST ADDITION 4,253 GSF

- G. STORAGE
H. CLINIC
J. SALLY PORT

CATTERY/CLINIC

- | | |
|------------------|-----------|
| BLDG RENOVATION | 6,313 GSF |
| K. SUPPORT AREAS | |
| M. CAT WARDS | |

DOG PAVILION

- | | |
|----------------------------|-----------|
| RENOVATION | 6,422 GSF |
| O. ADOPTION DOG WARDS | |
| P. NON-ADOPTABLE DOG WARDS | |

COVERED EXT. PROGRAM 10,686 GSF



WEST VIEW



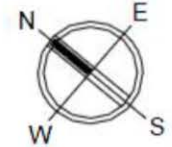
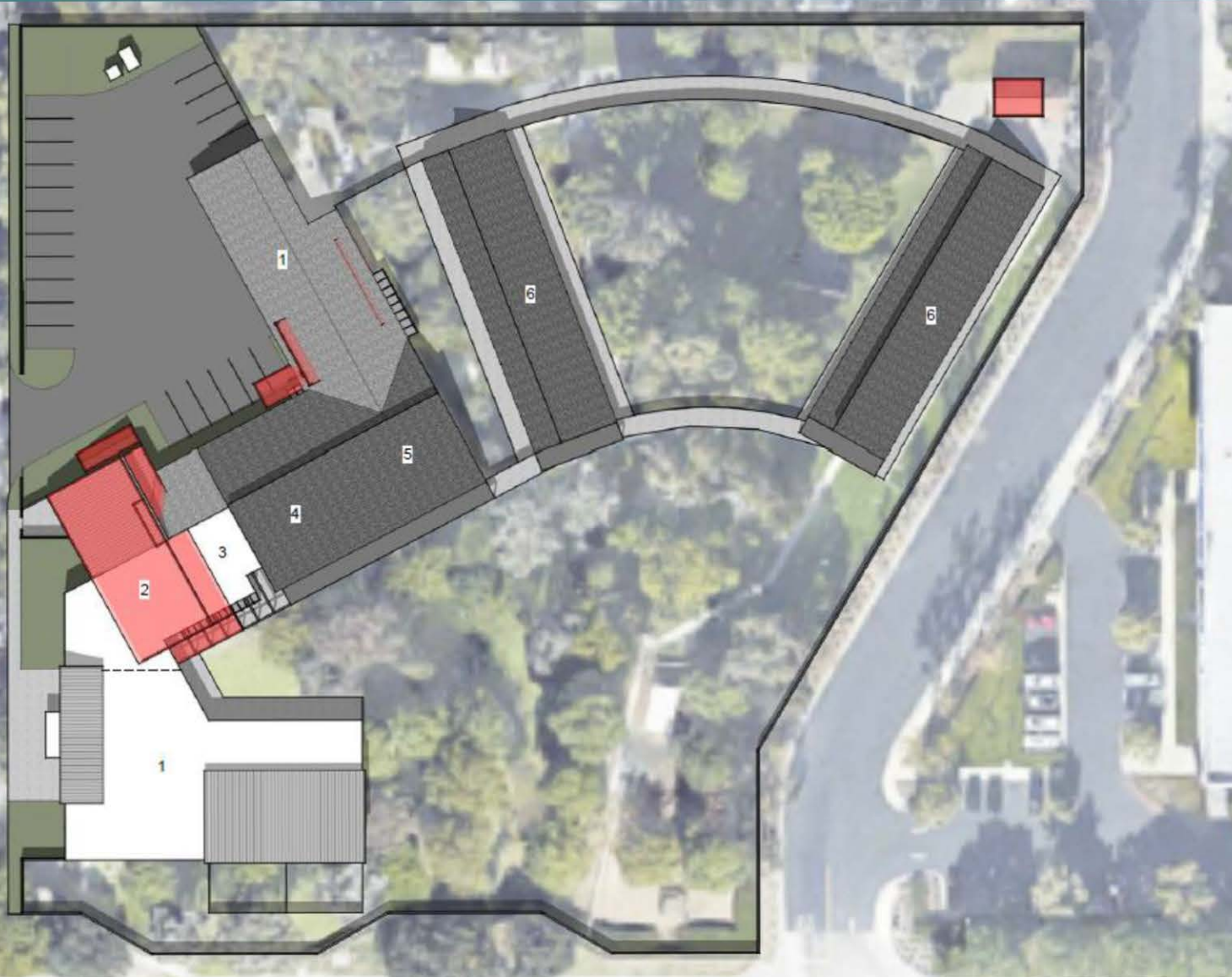
SOUTH VIEW



VIEW TO ENTRANCE



Renovation



RENOVATION/ADDITION CONCEPT

SCALE: 1" = 50'-0"



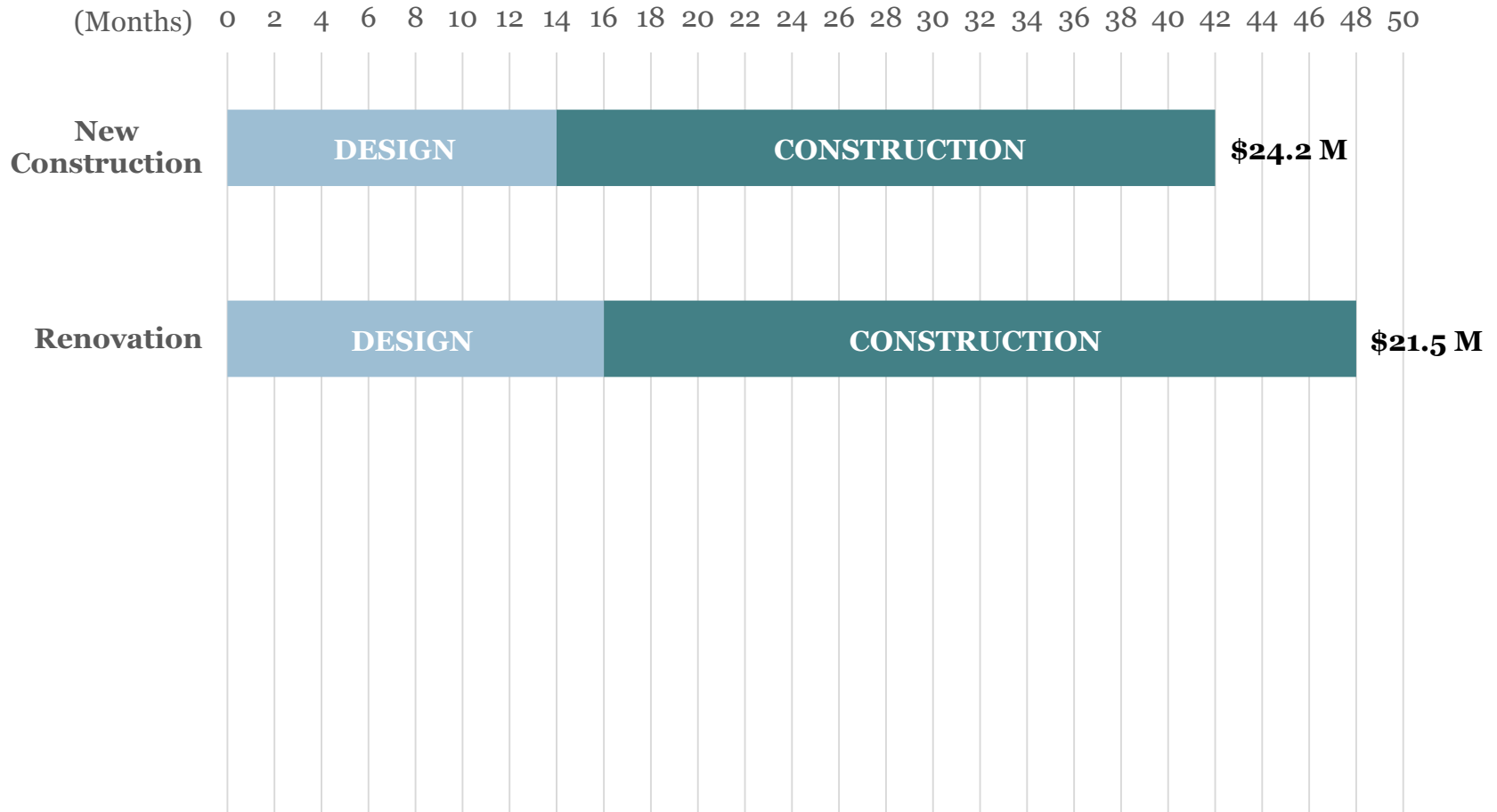
PROJECT PHASING KEY

1. a. CONSTRUCT 50% OF WEST ADDITION
b. CONSTRUCT EAST ADDITION
2. REMOVE EXISTING ADMINISTRATION BUILDING
3. CONSTRUCT THE BALANCE OF WEST ADDITION
4. RENOVATE 50% OF THE EXISTING CAT/CLINIC BUILDING
5. RENOVATE THE BALANCE OF THE EXISTING CAT/CLINIC BUILDING
6. a-d PHASED RENOVATIONS TO EXISTING KENNEL PAVILIONS



Schedule: Phased Construction

DESIGN-BID-BUILD

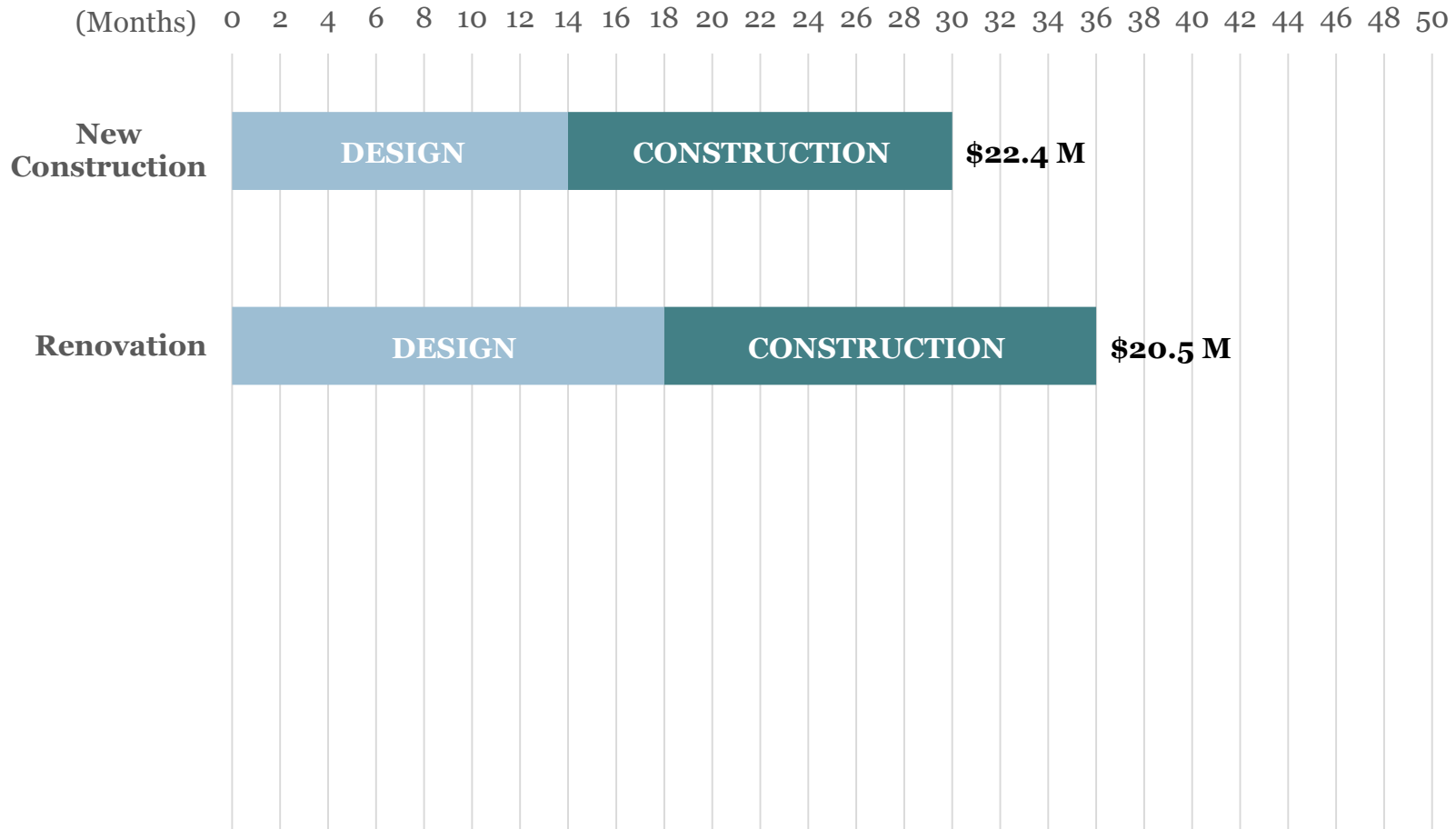


**Note: Design-Build approach will reduce overall duration by an estimated 6 months, however cost will vary*



Schedule: Unphased Construction

DESIGN-BID-BUILD



**Note: Design-Build approach will reduce overall duration by an estimated 6 months, however cost will vary*



Budget Summary

Project Type	Design-Bid-Build		Design-Build	
	Unphased	Phased	Unphased	Phased
New Construction	\$22.4 M	\$24.2 M	\$23.7 M	\$25.3 M
Renovation	\$20.5 M	\$21.5 M	N/A	N/A

1. Construction Costs are based on May 2016 values and include future escalation (midpoint of construction May 2018) reflecting the anticipated start and completion of construction.
2. Program Manager is offering this Statement of Probable Cost based on current level of documentation available which is based upon conceptual drawings. Program Manager has used its reasonable best efforts to assess identified project specific program requirements, geographic considerations, assumed building type, construction methods, current labor rates and material costs, and local market conditions to generate an opinion of possible project specific costs. Program Manager cannot be held responsible for adjustments to this estimate which could produce amendments to subsequent and future project budget updates based upon changes in project specific requirements or unforeseen adjustments in local market conditions affecting both direct and indirect costs.
3. Project delivery options with unphased approaches, do not include allowances for leased/temporary facilities, relocation, and related costs.



Questions?



Thank you!

5.3

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2017 DEC 18 PM 4: 29

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DEC 18 2017

CITY OF IRVINE
CITY MANAGER'S OFFICE

Memo

To: Sean Joyce, City Manager
From: Melissa Fox, Councilmember 
Ken Montgomery, Chair Irvine Transportation Commission 
Date: December 18, 2017
Re: **Orange County Great Park Western Sector Roadway Construction -
Referral to Transportation Commission**

Please place an item on the January 9, 2018 City Council agenda to discuss a possible joint meeting between the City's Community Services and Transportation Commissions.

The City Council referred the issue of making the southern end of Bosque into a cul-de-sac rather than continuing Bosque all the way to the Phantom/Corsair round-a-bout to the Transportation Commission. The City Council authorized staff to seek bids for the project as it is currently designed. The reasons for the cul-de-sac design have as much to do with Great Park usage and pedestrian flow as it does traffic circulation. Dead-end roadways can be confusing for park users who visit the park infrequently. Pedestrian movement between the Festival Site and the South Lawn needs to be considered in both the current park configuration and the long-term usage of the Festival site when deciding on the road design for Bosque.

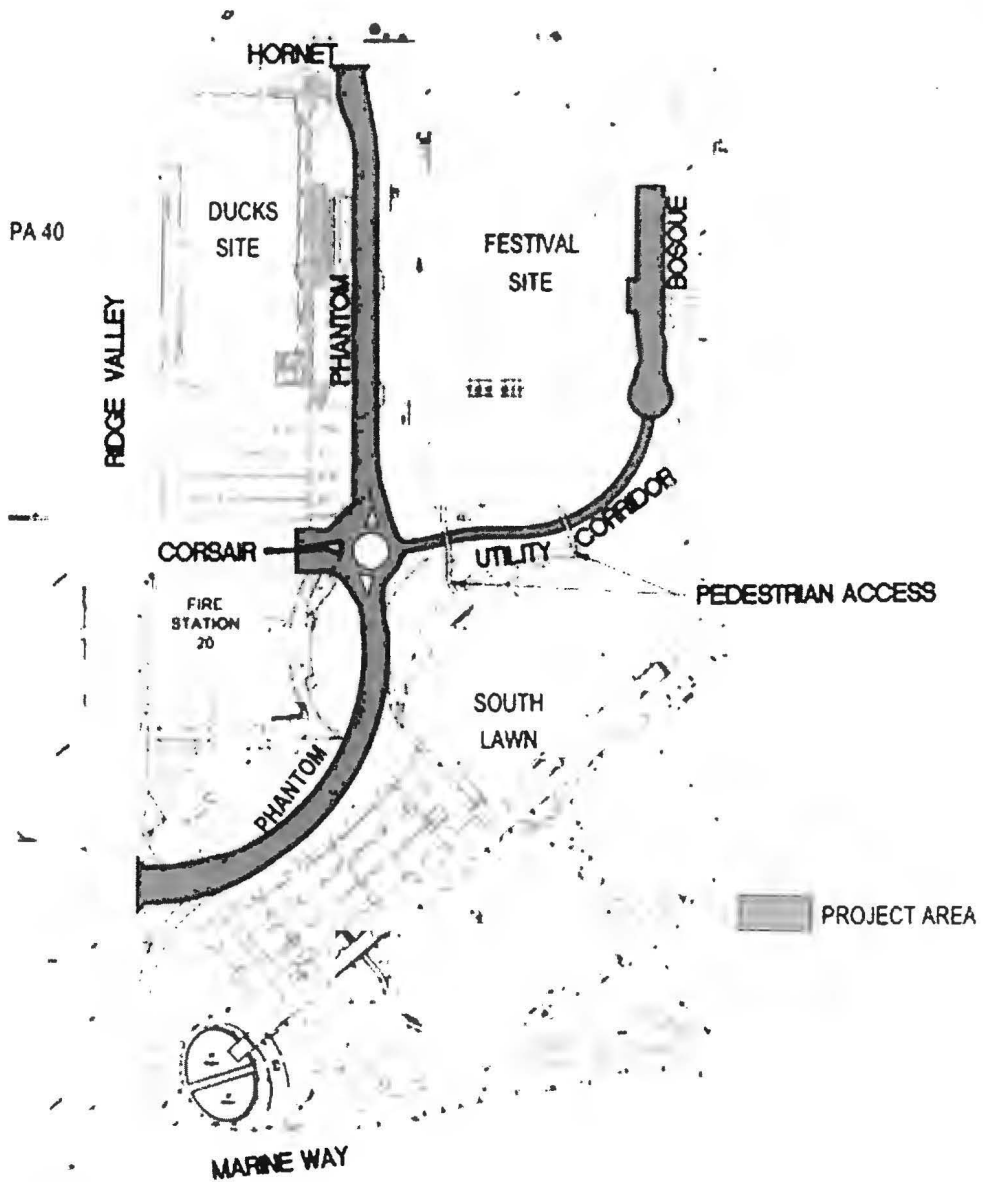
The Chair of the Transportation Commission and I propose referring this matter to a joint meeting between the Community Services and Transportation Commissions. This will give the City Council the benefit of 10 City Commissioners evaluating the issues that affect the design of the southern end of Bosque. Their collective review and comments will help the City Council ultimately decide on the road design for this project before construction begins.

I recommend that a joint meeting be held as part of the Community Services Commission meeting of January 17, 2018, or the Transportation Commission meeting of January 16, 2018.

cc: City Council
Molly McLaughlin, City Clerk

Attachment: (1) Orange County Great Park Western Sector Roadways Site Plan

WESTERN SECTOR ROADWAYS



SITE PLAN

ATTACHMENT 1