



## **CITY OF ATASCADERO CITY COUNCIL AGENDA**

### **\* COVID-19 NOTICE \***

**Consistent with the SLO County Region 1 – Southern California Regional Stay at Home Order, the City Council Meeting will not be physically open to the public and City Council Members will be teleconferencing into the meeting.**

#### **HOW TO OBSERVE THE MEETING:**

To maximize public safety while still maintaining transparency and public access, the meeting will be live-streamed on SLO-SPAN.org, on Spectrum cable Channel 20 in Atascadero, and on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will repeat daily on Channel 20 at 1:00 am, 9:00 am, and 6:00 pm and will be available through the City's website or by visiting [https://us02web.zoom.us/webinar/register/WN\\_ZwJ7a031S3KXauEym9ehaA](https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA).

#### **HOW TO SUBMIT PUBLIC COMMENT:**

Members of the public are highly encouraged to call **805-538-2888** to listen and provide public comment via phone, or submit written public comments to [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) by 5:00 pm on the day of the meeting. Such email **comments must identify the Agenda Item Number in the subject line of the email**. The comments will be read into the record, with a maximum allowance of 3 minutes per individual comment, subject to the Mayor's discretion. All comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time. If a comment is received after the agenda item is heard but before the close of the meeting, the comment will still be included as a part of the record of the meeting but will not be read into the record.

#### **AMERICAN DISABILITY ACT ACCOMMODATIONS:**

Any member of the public who needs accommodations should contact the City Clerk's Office at [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) or by calling 805-470-3400 at least 48 hours prior to the meeting or time when services are needed. The City will use their best efforts to provide reasonable accommodations to afford as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

City Council agendas and minutes may be viewed on the City's website: [www.atascadero.org](http://www.atascadero.org).

Copies of the staff reports or other documentation relating to each item of business referred to on the Agenda are on file in the office of the City Clerk and are available for public inspection on our website, [www.atascadero.org](http://www.atascadero.org). Contracts, Resolutions and Ordinances will be allocated a number once they are approved by the City Council. The Minutes of this meeting will reflect these numbers. All documents submitted by the public during Council meetings that are either read into the record or referred to in their statement will be noted in the Minutes and available for review by contacting the City Clerk's office. All documents will be available for public inspection during City Hall business hours once City Hall is open to the public following the termination of the Shelter at Home Order.



# **CITY OF ATASCADERO CITY COUNCIL**

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## **AGENDA**

**Tuesday, March 9, 2021**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California**

<b><u>City Council Regular Session:</u></b>	<b>6:00 P.M.</b>
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**REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

**PLEDGE OF ALLEGIANCE:** Mayor Moreno

**ROLL CALL:** Mayor Moreno  
Mayor Pro Tem Newsom  
Council Member Bourbeau  
Council Member Dariz  
Council Member Funk

**APPROVAL OF AGENDA:** Roll Call

**Recommendation:** Council:

1. Approve this agenda; and
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

**PRESENTATIONS: None.**

- A. CONSENT CALENDAR:** (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

**1. City Council Draft Action Minutes – February 19, 2021 - February 20, 2021 and February 23, 2021**

- Recommendation: Council approve the February 19, 2021 - February 20, 2021 Draft City Council Special Meeting Minutes and the February 23, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

**2. Adoption of the City of Atascadero Wildland Urban Interface Fire Area Map**

- Fiscal Impact: None.
- Recommendation: Council adopt on second reading, by title only, a Draft Ordinance, repealing and replacing Title 4, Chapter 7 of the Atascadero Municipal Code (the City of Atascadero Fire Code). [Fire Department]

**3. SB1090 Fund Allocation**

- Fiscal Impact: The actions proposed will result in the expenditure of \$140,000 of SB1090 Funds in the current fiscal year and sets forth plans to expend the remaining \$643,106 of SB1090 over the next three years.
- Recommendations: Council:
  1. Authorize the Director of Administrative Services to appropriate \$125,000 of SB1090 Funds for the Atascadero Chamber of Commerce Bridgeworks Expansion Project.
  2. Authorize the Director of Administrative Services to appropriate \$15,000 of SB1090 Funds for the remaining portion of fiscal year 2020-2021 to establish a new Deputy Community Development Director- Economic Development and Long-Range Planning position.
  3. Authorize the City Manager to establish a new Deputy Community Development Director- Economic Development and Long-Range Planning position.
  4. Amend the fiscal year 2020-2021 monthly salary schedule to include the new Deputy Community Development Director- Economic Development and Long-Range Planning position and correct other positions as follows:

CLASSIFICATION	STEP A	STEP B	STEP C	STEP D	STEP E
Deputy Community Development Director- Economic Development and Long-Range Planning	\$7,689.59	\$8,074.07	\$8,477.77	\$8,901.66	\$9,346.74
Deputy Community Development Director	\$8,074.07	\$8,477.77	\$8,901.66	\$9,346.74	\$9,814.08

5. Authorize the Director of Administrative Services to take additional budgetary actions necessary in future years to expend the remaining SB1090 Funds on the new Deputy Community Development Director- Economic Development and Long-Range Planning position and on broadband projects. [City Manager]

**UPDATES FROM THE CITY MANAGER:** (The City Manager will give an oral report on any current issues of concern to the City Council.)

**COMMUNITY FORUM:** (This portion of the meeting is reserved for persons wanting to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Speakers are limited to three minutes. Please state your name for the record before making your presentation. Comments made during Community Forum will not be a subject of discussion. A maximum of 30 minutes will be allowed for Community Forum, unless changed by the Council. Any members of the public who have questions or need information may contact the City Clerk's Office, between the hours of 8:30 a.m. and 5:00 p.m. at (805) 470-3400, or [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org).)

**B. PUBLIC HEARINGS:**

**1. 2021 Community Development Block Grant Funding Recommendations**

- Fiscal Impact: \$144,792.00
- Recommendation: Council review and approve funding recommendations for the 2021 Community Development Block Grant (CDBG), as detailed in the staff report, and authorize staff to adjust final award amounts proportionately upon receipt of the final funding amount. [Public Works]

**C. MANAGEMENT REPORTS:**

**1. Review of Public Input on D-20 and Other Priorities**

- Fiscal Impact: None.
- Recommendation: Council receive and file recap presentation on strategic planning session. [Administrative Services]

**D. DISCUSSION ITEM:** Discussion of COVID 19 issues including oral updates by Mayor Moreno and City Manager Rickard, questions by City Council, public comment and comments by City Council.

1. Coronavirus (COVID-19) update – Mayor Moreno
2. Coronavirus (COVID-19) update – City Manager Rickard

**E. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:** (On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. The following represent standing committees. Informative status reports will be given, as felt necessary):

Mayor Moreno

1. City Selection Committee
2. County Mayors Round Table
3. Economic Vitality Corporation, Board of Directors (EVC)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Newsom

1. City / Schools Committee
2. Design Review Committee
3. League of California Cities – Council Liaison
4. Visit SLO CAL Advisory Committee

Council Member Bourbeau

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. Integrated Waste Management Authority (IWMA)
4. SLO County Water Resources Advisory Committee (WRAC)

Council Member Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. City of Atascadero Finance Committee

Council Member Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Design Review Committee
3. Homeless Services Oversight Council

**F. INDIVIDUAL DETERMINATION AND / OR ACTION:** (Council Members may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.)

1. City Council
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager
  - A. Discussion regarding Central Coast Community Energy (3CE) Community Choice Aggregation Program and direction to City Manager

**ADJOURN**

**Please note:** Should anyone challenge any proposed development entitlement listed on this Agenda in court, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Correspondence submitted at this public hearing will be distributed to the Council and available for review in the City Clerk's office.

# **SPECIAL MEETING**

## **ATASCADERO CITY COUNCIL**

**Friday, February 19, 2021, 4:00 P.M.**  
**Saturday, February 20, 2021, 8:30 A.M.**

**City Hall – Council Chambers**  
**6500 Palma Avenue, Atascadero**  
**(TELECONFERENCE)**

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## **Goal Setting Workshop**

### **DRAFT MINUTES**

**FRIDAY, FEBRUARY 19, 2021, 4:00 P.M.**

Mayor Moreno called the meeting to order at 4:02 p.m.

#### **ROLL CALL:**

**Present:** **By Teleconference** – Council Members Bourbeau, Dariz, Funk, Mayor Pro Tem Newsom and Mayor Moreno

**Absent:** None

**Staff Present:** **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Public Works Director Nick DeBar, Police Chief Bob Masterson, Fire Chief Casey Bryson, Deputy City Manager/City Clerk Lara Christensen, Deputy City Manager Terrie Banish, and IT Manager Luke Knight

**Facilitators:** **By Teleconference** – Eric Bailey and Nicole Lance of Extraordinary Balance

#### **COUNCIL WORKSHOP – STRATEGIC PLANNING**

##### **1. Welcome, Facilitation Framework, Review of Strategic Priority Progress**

After a brief foreword, Mayor Moreno introduced the facilitators Eric Bailey and Nicole Lance of Extraordinary Balance.

Facilitators Bailey and Lance set up the framework for how the facilitation of the workshop would be conducted.

Community Development Director Dunsmore, Fire Chief Bryson, and Administrative Services Director Rangel gave brief updates on the accomplishments over the past two years.

## **2. D20 Study Session Review**

The Facilitators provided a review of the input gathered from the Measure D20 Study Sessions and led Council through a priority alignment exercise.

## **3. Public Comment**

The following persons spoke during public comment: Geoff Auslen, Tony Villa, Christina Asdel-Cisneros, Vy Pierce, Ron Overacker, and Josh Cross

***Mayor Moreno closed the Public Comment period.***

***Mayor Moreno recessed the meeting at 6:28 p.m.***

***Mayor Moreno reconvened the meeting with all present at 7:01 p.m.***

## **4. Communication Dynamics, Focus Areas, and Goal Setting**

The Facilitators led Council through a discussion of the information gathered from their interviews with the Council and Department Heads, introduced the goal setting exercise and led Council and staff through the process of identifying and defining the strategic priorities of the Council for the next two years.

The strategic priorities identified are:

- ✓ Economic and Community Vibrancy
- ✓ Ensuring Public Safety and Providing Exceptional City Services
- ✓ Public Safety and City Services
- ✓ Quality of Life

## **ADJOURNMENT:**

Mayor Moreno adjourned the meeting at 8:29 p.m. to Saturday, February 20, 2021, at 8:30 a.m. to continue the Goal Setting Workshop.

**SATURDAY, FEBRUARY 20, 2021, 8:30 A.M.**

Mayor Moreno called the meeting to order at 8:35 p.m.

**ROLL CALL:**

**Present:**                **By Teleconference** – Council Members Bourbeau, Dariz, Funk, Mayor Pro Tem Newsom and Mayor Moreno

**Absent:**                None

**Staff Present:**       **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Public Works Director Nick DeBar, Police Chief Bob Masterson, Fire Chief Casey Bryson, Deputy City Manager/City Clerk Lara Christensen, Deputy City Manager Terrie Banish, and IT Manager Luke Knight

**Facilitators:**        Eric Bailey and Nicole Lance of Extraordinary Balance

**COUNCIL WORKSHOP – STRATEGIC PLANNING**

**1. Welcome and Goal Setting**

The Facilitators gave a brief recap of the strategic priorities identified during day one of the workshop and led Council, staff, and the public through an exercise to develop key focus areas for each of the four priorities.

***Mayor Moreno recessed the meeting at 9:59 a.m.***

***Mayor Moreno reconvened the meeting with all present at 10:05 p.m.***

***Mayor Moreno recessed the meeting at 11:16 a.m.***

***Mayor Moreno reconvened the meeting with all present at 11:19 p.m.***

**2. Alignment, Wrap-up, Next Steps**

The facilitators reviewed the decision making criteria established by the City Council during the 2019-2021 and the City Council reaffirmed the criteria. The facilitators then wrapped up the session and Council thanked everyone for their time, commitment and efforts over the course of the Workshop.

***Mayor Moreno recessed the meeting at 12:20 p.m.***

***Mayor Moreno reconvened the meeting with all present at 1:30 p.m.***



### 3. SB 1090 Funds

City Manager Rickard presented the report to the City Council and answered questions of the Council. Following Council discussion and direction to staff, City Manager Rickard reported that she would bring a formal appropriation for SB 1090 Funds back to the City Council for approval.

#### **PUBLIC COMMENT:**

The following persons spoke during public comment: Josh Cross, Maria Kelly, and Geoff Auslen

***Mayor Moreno closed the Public Comment period.***

### 4. Council Norms

City Manager Rickard asked the City Council to review the Council Norms as adopted in 2020 and provide any recommended changes. After discussion by the Council, it was determined that the third bullet under **PUBLIC MEETINGS** would be amended to read:

- *Under Individual Determination, any Council Member may request to place an item on a future agenda.*

In closing, Mayor Moreno thanked everyone for attending.

#### **ADJOURNMENT:**

Mayor Moreno adjourned the meeting at 2:47 p.m. to the next Regular Session on Tuesday, February 23, 2021.

#### **MINUTES PREPARED BY:**

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Lara K. Christensen  
Deputy City Manager / City Clerk



# **CITY OF ATASCADERO CITY COUNCIL**

## **DRAFT MINUTES**

**Tuesday, February 23, 2021**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California**

**City Council Regular Session:**

**6:00 P.M.**

### **REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

Mayor Moreno called the meeting to order at 6:00 p.m. and Mayor Pro Tem Newsom led the Pledge of Allegiance.

### **ROLL CALL:**

**Present:** **By Teleconference** – Council Members Bourbeau, Dariz, Funk, Mayor Pro Tem Newsom and Mayor Moreno

**Absent:** None

**Others Present:** **By Teleconference** – Treasurer Gere Sibbach

**Staff Present:** **By Teleconference** – City Manager Rachelle Rickard, Police Chief Bob Masterson, Fire Chief Casey Bryson, Public Works Director Nick DeBar, Community Development Director Phil Dunsmore, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, Deputy Administrative Services Director Cindy Chavez and IT Manager Luke Knight

### **APPROVAL OF AGENDA:**

- MOTION:** **By Council Member Funk and seconded by Mayor Pro Tem Newsom to:**
- 1. Approve this agenda; and,**
  - 2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.**

***Motion passed 5:0 by a roll-call vote***

**PRESENTATIONS: None.**

**A. CONSENT CALENDAR:**

**1. City Council Draft Action Minutes – February 9, 2021**

- Recommendation: Council approve the February 9, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

**2. January 2021 Accounts Payable and Payroll**

- Fiscal Impact: \$2,452,659.13
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for January 2021. [Administrative Services]

**3. December 2020 Investment Report**

- Fiscal Impact: None
- Recommendation: Council receive and file the City Treasurer's report for quarter ending December 31, 2020. [City Treasurer]

Treasurer Sibbach made brief comments to the Council regarding the City's investments.

**MOTION: By Council Member Bourbeau and seconded by Council Member Funk to approve the Consent Calendar.  
*Motion passed 5:0 by a roll-call vote.***

**UPDATES FROM THE CITY MANAGER:**

City Manager Rachelle Rickard gave an update on projects and issues within the City.

**COMMUNITY FORUM:**

The following citizens spoke during Community Forum: None.

***Mayor Moreno closed the COMMUNITY FORUM period.***

**B. PUBLIC HEARINGS:**

**1. Adoption of the City of Atascadero Wildland Urban Interface Fire Area Map**

- Fiscal Impact: None.
- Recommendation: Council introduce for first reading, by title only Draft Ordinance, repealing and replacing Title 4, Chapter 7 of the Atascadero Municipal Code (the City of Atascadero Fire Code). [Fire Department]

**Ex Parte Communications**

All Council Members reported having no ex parte communications.

Fire Chief Bryson gave the staff report and answered questions from the Council. City Manager Rickard also answered questions from the Council.

**PUBLIC COMMENT:**

The following citizens spoke by telephone on this item: Geoff Auslen

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Mayor Pro Tem Newsom and seconded by Council Member Funk to introduce for first reading, by title only Draft Ordinance, repealing and replacing Title 4, Chapter 7 of the Atascadero Municipal Code (the City of Atascadero Fire Code).

Deputy City Manager/City Clerk Christensen read the title of the Ordinance:

**AN ORDINANCE OF THE CITY COUNCIL  
OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND  
REPLACING TITLE 4, PUBLIC SAFETY, CHAPTER 7, FIRE CODE, OF THE  
ATASCADERO MUNICIPAL CODE**

***Motion passed 5:0 by a roll-call vote.***

**C. MANAGEMENT REPORTS:**

**1. Title 9 Annual Planning and Zoning Text Amendments**

- Fiscal Impact: The upcoming text updates/ clarifications will be done by City staff with a combination of general fund and grant funding.
- Recommendation: Council review proposed Title 9 Planning and Zoning text amendments and direct staff on which amendments to prioritize. [Community Development]

Community Development Director Dunsmore gave the staff report and answered questions from the Council. City Manager Rickard also answered questions from the City Council.

**Mayor Moreno recessed the meeting at 8:20 p.m.**

**Mayor Moreno reconvened the meeting at 8:31 p.m. with all present.**

**PUBLIC COMMENT:**

The following citizens spoke by telephone on this item: Geoff Auslen

***Mayor Moreno closed the Public Comment period.***

***Council reviewed the proposed Title 9 Planning and Zoning text amendments and provided comments and direction to staff.***

## **2. Resolution to Support the Galaxy Theater and Colony Square Commercial Properties During Covid-19**

- Fiscal Impact: There are no known fiscal impacts as a result of the adoption of the Draft Resolution. However, there are significant potential fiscal impacts as a result of the possible closure of Galaxy Theaters and foreclosure of the Colony Square property.
- Recommendation: Council adopt Draft Resolution recognizing the significant economic impact on the Galaxy Theater, the property owner, and supporting commercial businesses, as a result of mandated closures due to Covid-19. [City Manager]

City Manager Rickard gave the staff report and answered questions from the Council. She noted that the Draft Resolution had been amended as shown in the PowerPoint presentation and had been provided prior to the meeting to the City Council as well as made available to the public by posting on the City's website.

### **PUBLIC COMMENT:**

The following citizens spoke by telephone on this item: Jeff Nelson, Geoff Auslen, and Frank Rimkus

Emails from the following citizens were read into the record by Deputy City Manager/City Clerk Christensen: Larry Cavaletto, 5<sup>th</sup> District Supervisor Debbie Arnold, Assemblyman Jordan Cunningham, and Jason Nelson

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Mayor Moreno and seconded by Mayor Pro Tem Newsom to adopt Resolution No. 2021-004, as amended, recognizing the significant economic impact on the Galaxy Theater, the property owner, and supporting commercial businesses, as a result of mandated closures due to Covid-19.  
***Motion passed 5:0 by a roll-call vote.***

**D. DISCUSSION ITEM:** Discussion of COVID 19 issues including oral updates by Mayor Moreno and City Manager Rickard, questions by City Council, public comment and comments by City Council.

1. Coronavirus (COVID-19) update – Mayor Moreno
2. Coronavirus (COVID-19) update – City Manager Rickard

Mayor Moreno and City Manager Rickard provided updates on Coronavirus (COVID-19) and answered questions from the Council.

### **E. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:**

The following Council Members made brief announcements and gave brief update reports on their committees since their last Council meeting:

Mayor Moreno

1. County Mayors Round Table
2. Economic Vitality Corporation, Board of Directors (EVC)

Mayor Pro Tem Newsom

1. Design Review Committee

Council Member Bourbeau

1. Integrated Waste Management Authority (IWMA)

Council Member Bourbeau noted that the IWMA has voted to rescind the Countywide polystyrene ordinance and would like the City Council to discuss adoption of a limited polystyrene ordinance focused on food and beverage containers that are most likely to end up as persistent litter in our streets and creeks in the somewhat near future, maybe after the budget process.

Council Member Funk

1. Design Review Committee
2. Homeless Services Oversight Council

**F. INDIVIDUAL DETERMINATION AND / OR ACTION:**

1. City Treasurer Sibbach asked the City Council to consider joining Central Coast Community Energy (3CE).

After some brief Council questions, it was determined that the City Manager would bring information regarding staff time and capacity for discussion by Council on potential placement of this item on a future Council agenda at the March 9 Meeting.

**G. ADJOURN**

Mayor Moreno adjourned the meeting at 10:10 p.m.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
Deputy City Manager / City Clerk

**APPROVED:**



# ***Atascadero City Council***

## ***Staff Report – Atascadero Fire & Emergency Services Department***

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### **Adoption of the City of Atascadero Wildland Urban Interface Fire Area Map**

#### **RECOMMENDATION:**

Council adopt on second reading, by title only, a Draft Ordinance, repealing and replacing Title 4, Chapter 7 of the Atascadero Municipal Code (the City of Atascadero Fire Code).

#### **DISCUSSION:**

At the February 23, 2021 meeting, Council voted 5-0 to approve introduction of a draft ordinance to repeal and replace Title 4, Chapter 7 of the Atascadero Municipal Code, to allow for the adoption of a new Wildland Urban Interface Fire Area Map.

The Local Hazard Mitigation Plan (LHMP) adopted by Council on January 26, 2021, references the State's adopted Fire Hazard Severity Zone Map that was updated in 2009 and is located on the Cal Fire Website. The City of Atascadero has never officially adopted a fire severity map as required by California Government Code, but instead has used a much older San Luis Obispo County Fire Hazard Severity Zone Map.

The State map and the current County map used by staff are similar in the area subject to the Wildland Building Code Standards, but the delineation between "very high" and "high" is different. In addition, the State map does incorporate a section of town just west of Highway 101 and just north of Highway 41 that has not previously been subject to the Wildland Building Code Standards. While the City's fire severity map may be updated for the needs of the City, State law requires incorporation on the map of those areas shown as "Very High" fire severity on the State Fire Hazard Severity Zone Map.

Because of the adoption of the updated LHMP, with reference to the State Fire Hazard Severity Zone Map, as well as the State mandate to adopt the City map that delineates the area subject to the Wildland Building Code Standards, adoption of a City of Atascadero Wildland Urban Interface Fire Area Map brings together the "Very High" Hazard Areas of the State Map and the High/Very High Hazard Areas of our current County Map.

By combining the two, the City is meeting or exceeding the requirements of the State and maintaining the existing Wildland Building Code Standards. Increased Wildland Building Code Standards will impact only the small area mentioned previously. This area can be seen on the WUI Fire Area Map (Attachment 2) and in general includes portions of Cascabel Road and a section west of Highway 101 between Ardilla Road and San Marcos Road.

In addition to amending the Fire Code to adopt the City of Atascadero Wildland Urban Interface Fire Area Map, a few minor errors will be corrected with this amendment including adding the list of sections to the Fire Code title page, minor renumbering in Section 907 and adding Section 4-7.104 (local modifications to the International Wildland-Urban Interface Code).

**FISCAL IMPACT:**

None.

**ATTACHMENTS:**

1. Draft Ordinance
2. City of Atascadero Wildland Urban Interface Fire Area Map



## **DRAFT ORDINANCE**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, REPEALING AND REPLACING TITLE 4, PUBLIC SAFETY, CHAPTER 7, FIRE CODE, OF THE ATASCADERO MUNICIPAL CODE**

**WHEREAS**, it is the desire and intent of the City Council to provide residents with common sense reform to the City's Municipal Code to reduce regulations; and

**WHEREAS**, the City Fire Marshall has reviewed applicable sections of Title 4 and has determined sections need to be modified for consistency with State Law; and

**WHEREAS**, provisions codified in this Title are adopted to implement and supplement the California Building and Fire Codes as they exist and may be amended from time to time; and

**WHEREAS**, it is the desire and intent of the City of the Atascadero to provide citizens with the greatest degree of fire, life and structural safety in buildings in the most cost effective manner by adopting that body of regulations referred to as the California Building Standards Code and California Fire Code with amendments specific to the City of Atascadero; and

**WHEREAS**, the 2019 California Building Standards Code and California Fire Code with amendments specific to the City of Atascadero were adopted by Ordinance on January 19, 2020; and

**WHEREAS**, the City of Atascadero has recognized the threat of wildland fire as a high risk and identified areas within the City limits that pose a higher risk to wildland fire than others as well as the need for wildland fire mitigation in adoption of the Local Hazard Mitigation Plan on February 9, 2021; and

**WHEREAS**, Chapter 49 of the California Fire Code allows the City to identify a geographical area titled, "Wildland Urban Interface Fire Area", which is at significant risk from wildfires; and

**WHEREAS**, per CA Gov. Code 51179, the City of Atascadero must designate fire hazard zones by ordinance that are equivalent to or supersede the standards imposed by the state; and

**WHEREAS**, the City of Atascadero has created the Wildland Urban Interface Fire Area Map, on file in the office of the Atascadero Fire and Emergency Services Department and incorporated herein by reference, in which the area of fire threat is equivalent or supersedes the very high fire severity zones imposed by the state; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject amendments was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said amendments.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:**

**SECTION 1.** Recitals: The above recitals are true and correct.

**SECTION 2.** Public Hearing. The City Council of the City of Atascadero, at a Public Hearing held on March 9, 2021, considered the proposed amendments.

**SECTION 3.** Findings. The City Council makes the following findings, determinations and approvals with respect to the Municipal Code Amendments:

FINDING: The code amendments are justified by climatic, topographic or geological conditions of the City.

FINDING: The code amendments are at least as restrictive as the State mandated Codes.

FINDING: The following statements support the local necessity for the changes or modifications:

- A. That the City of Atascadero is situated at the base of a watershed of the Santa Lucia Mountains and that flooding of Atascadero Creek, Graves Creek, and Salinas River results in conditions rendering fire department vehicular traffic unduly burdensome or impossible as witnessed in major floods that occurred in 1952, 1961, 1969, 1973, 1978, 1982, and 1995. Furthermore, flood conditions described above create the potential for overcoming the ability of the fire department to aid or assist in fire control, evacuations, rescues and other emergency task demands inherent in such situations. The resulting overburdening of fire department personnel may cause a substantial or total lack of protection against fire for the buildings and structures located in the City of Atascadero. The afore-described conditions support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;
- B. That the City of Atascadero is situated near three major faults each capable of generating earthquakes with a magnitude of 7.5. These are the San Andreas to the east of the City, the Nacimiento-Rinconada that crosses Hwy 101 north of the City, then parallels the City to the east, and the Hosgri to the South West. Other faults of importance are the Huasna and West Huasna to the Southeast of the City, the San Simeon to the Northwest. In as much as these faults are included as major California earthquake faults, which are subject to becoming active at any time, the City Atascadero is particularly vulnerable to devastation should such an earthquake occur. The potential effects include isolating the City of Atascadero from the North and South due to the potential for collapsing of freeway overpasses or a slide on both the Cuesta and Ontario Grades and the potential for horizontal or vertical movement of the Edna fault rendering surface travel across the southern extremities of the City unduly burdensome or impossible. Additional

potential situations inherent in such an occurrence include broken natural-gas mains causing structure and other fires, leakage of hazardous materials, the need for rescues from collapsed structures, and the rendering of first aid and other medical attention to large numbers of people. The protection of human life and the preservation of property in the event of such an occurrence support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code and in particular support the imposition of greater requirements than set forth in 2019 California Building and Fire Codes;

- C. That the central commercial area in the City of Atascadero consists of mixed conditions that create the potential for possible conflagration, including congested streets during the business day, numerous older buildings without adequate internal fire-resistance, and contemporary low-rise buildings. Significant spread of fire in said area will actually exceed the fire suppression capabilities of regional firefighting personnel. The continued development of the Atascadero commercial area and the current and potential development of high-rise buildings pose a substantial threat of fire to human life, public safety, and the preservation of property and support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular, support the imposition of greater requirements than set forth in 2019 California Building and Fire Codes;
- D. That the City of Atascadero is bisected by a major freeway (Hwy 101), traversing in the north/south direction and a major highway (Hwy 41) traversing in an east/west direction. The City is also transected by a mainline railroad that traverses in the north/south direction. It is a frequent occurrence for the aforementioned highways and railway to support the transportation of hazardous materials. The potential for release or threatened release of a hazardous material along one of these routes is highly probable given the volume transported daily. Incidents of this nature will normally require all available emergency response personnel to prevent injury and loss of life, and to prevent as far as practicable, property losses. Emergency personnel responding to said incidents may be unduly impeded and delayed in accomplishing an emergency response as a result of this situation, with the potential result of undue and unnecessary risk to the protection of life and public safety, particularly in those buildings or structures without the protection of automatic fire sprinklers. The above-described problems support the imposition of fire protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;
- E. That seasonal climatic conditions during the late summer and fall create numerous serious difficulties in the control and protection against fire situations in the City of Atascadero. The hot, dry weather in combination with Santa Ana winds frequently results in wildland fires in the brush-covered slopes on the Santa Lucia Mountains and several areas surrounding. The aforementioned areas completely surround the City. When a fire occurs in said areas, such as occurred in 1994, the Highway 41 fire burned for several days and entered the City, the entirety of local fire department personnel is required to control, monitor, fight and protect against such fire situations in an effort to protect life and preserve

property and watershed land. The same climatic conditions may result in the concurrent occurrence of one or more fires in the more populated areas of the City without adequate fire department personnel to protect against and control such a situation. Therefore, the above-described findings support the imposition of fire-protection requirements greater than those set forth in the California State Building Standards Code, and in particular support the imposition of greater requirements than set forth in the 2019 California Building and Fire Codes;

- F. That for the most part, the soils in the City of Atascadero are medium to highly expansive in nature, and such soils may cause damage to foundations, structures and underground utilities if not properly mitigated through known construction techniques. Furthermore, a significant part of the City lies on hills and rolling topography subject to earth slides and movements and present problems to developments constructed in such areas due to surface water drainage and disposal. The above-described conditions support the imposition of requirements greater than those set forth in the California State Building Standards Code and, in particular, support the imposition of greater requirements than those set forth in the 2019 California Building and Fire Codes.
- G. The City of Atascadero has recognized the threat of wildland fire as a high risk and identified the need for mitigation in the Local Hazard Mitigation Plan. Pre-fire and post-fire management strategies and tactics to reduce the loss from wildland fire within the City has been identified and prioritized. Additionally, areas within the City limits that pose a higher risk to wildland fire than others have been identified. The above-described risks and needs support the City's identification of a geographical area titled, "Wildland Urban Interface Fire Area", which is at significant risk from wildfires and creation of the Wildland Urban Interface Fire Area Map in which the area of fire threat is equivalent or supersedes the very high fire severity zones imposed by the state. Further, these risks and needs support the requirement that all buildings in locations designated in the Wildland Urban Interface Fire Area Map be built to standards in accordance with the 2019 California Building and Fire Codes and the current edition of the International Wildland-Urban Interface Code.

**SECTION 4. CEQA.** The proposed Title 4 amendments are exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

**SECTION 5. Approval.** The City Council of the City of Atascadero, in a regular session assembled on March 9, 2021, resolved to introduce for second reading by title only, an Ordinance that would repeal and replace all of Chapter 7, 2019 California Fire Code within Title 4 of the City of Atascadero Municipal Code as detailed in Exhibit A attached hereto and incorporated herein by this reference.

**SECTION 6. Interpretation.** This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

**SECTION 7. Preservation.** Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

**SECTION 8. Effect of Invalidation.** If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

**SECTION 9. Severability.** If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

**SECTION 10. Notice.** The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

**SECTION 11. Effective Date.** This Ordinance will take effect on the 30th day following its final passage and adoption.

**INTRODUCED** at a regular meeting of the City Council held on February 23, 2021, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on March 9, 2021.

CITY OF ATASCADERO

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Heather Moreno, Mayor

ATTEST:

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Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

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Brian A. Pierik, City Attorney

## Exhibit A

### Chapter 7

### FIRE CODE

#### Sections:

4-7.101 Title.

4-7.102 Adoption of Fire Code and Wildland-Urban Interface Code.

4-7.103 Local Modifications to the California Fire Code.

4-7.104 Modifications to the International Wildland-Urban Interface Code.

4-7.101 Title.

This chapter shall be known as the City of Atascadero Fire Code.

#### **4-7.102 Adoption of Fire Code and Wildland-Urban Interface Code.**

(a) Two (2) documents, three (3) of which are on file in City offices, identified by the Seal of the City of Atascadero, marked and designated as the 2019 Edition of the California Fire Code and the 2018 Edition of the International Wildland-Urban Interface Code published by the International Code Council are hereby adopted, including chapters and sections not adopted by agencies of the State of California, and including appendices thereto, as the Fire Prevention Regulations of the City of Atascadero. The provisions of such are hereby referred to, adopted, and made a part hereof as if fully set out in this chapter except as modified hereinafter (2019).

~~(a)~~(b) Adopt all appendix sections of the 2016 California Fire Code except Appendix J.

#### **4-7.103 Local modifications to the California Fire Code.**

- (a) Adopt Appendix D without Table D103.4 and Figure D103.1
- (b) Amend Chapter I, Division II, Section 101.1 to read as follows:

**101.1 Title.** These regulations shall be known as the Fire Code of the City of Atascadero, referred to as “this code.”

- (c) Amend Chapter I, Division II, Section 108.1 to read as follows:

**108.1 Board of appeals established.** In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretations of this code, there shall be and is hereby created a board of appeals, consistent with Title 8, section 1.02 of the Atascadero Municipal Code. The fire code official shall be an ex officio member and shall

act as secretary to said board but shall have no vote upon any matter before the board. The board shall adopt rules of procedure for conducting its business.

- (d) Amend Section 311.2.2 Fire Protection by deletion of Exceptions 1, 2 and 3.
- (e) Amend Section 503.1.1 to read as follows:

**503.1.1 Buildings and facilities.** Approved fire apparatus access roads shall be provided for every facility, building or portion of a building hereafter constructed or moved into or within the jurisdiction. The fire apparatus access road shall comply with the requirements of this section and shall extend within 150 feet (45,720 mm) of all portions of the facility and all portions of the exterior walls of the first story of the building measured by an approved route around the exterior of the building or facility. Additionally, all roads and driveways shall comply with Atascadero Fire Department standards.

**Exception:** The fire code official is authorized to increase the dimension of 150 feet (45,720 mm) where:

1. Fire apparatus access roads cannot be installed because of location on property, topography, waterways, nonnegotiable grades or other similar conditions, and an approved alternative means of protection is provided.
2. There are not more than two Group R-3 or Group U occupancies.

- (f) Delete Section 505.1:
- (g) Amend Section 507.2.2 to read as follows:

**507.2.2 Water tanks.** Water tanks are not permitted for private fire protection.

- (h) Delete section 605.11
- (i) Amend Section 609.2 to read as follows:

**609.2 Where required.** A Type I hood shall be installed at or above all commercial cooking appliances and domestic cooking appliances used for commercial purposes that produce grease vapors. Hood systems shall be tied into existing alarm systems.

- (j) Amend Section 901.7 to read as follows:

**901.7 Systems out of service.** Where a required fire protection system is out of service, the fire code official shall be notified immediately and, where required by the fire code official, the

building shall either be evacuated or an approved fire watch shall be provided for all occupants left unprotected by the shut down until the fire protection system has been returned to service.

Where utilized, fire watches shall be provided with at least one approved means for notification of the fire department and their only duty shall be to perform constant patrols of the protected premises and keep watch for fires. The person assigned to fire watch shall maintain a written log of their activities during their assigned shift and the log shall be provided to the fire code official upon request.

(k) Delete Sections 903.2 through 903.2.19 and replace as follows:

**903.2. Where required.** An approved automatic fire sprinkler system shall be installed throughout all new buildings, and/or buildings that are increased in size that meet the following conditions below:

1. Buildings containing Groups B and M occupancies where floor area is greater than or equal to 500 square feet (46.45 m<sup>2</sup>) and located less than or equal to 10 feet from adjacent buildings on the same property and less than or equal to 5 feet from adjacent property lines.

2. Buildings containing Group U occupancies where floor area is greater than or equal to 1,000 square feet (92.9 m<sup>2</sup>) and located less than or equal to 10 feet from adjacent buildings on the same property and less than or equal to 5 feet from adjacent property lines, unless part of a mixed-occupancy building containing a Group R, Division 3 occupancy.

3. Group U occupancy buildings that are not open on at least three sides and greater than or equal to 3,000 square feet.

4. Throughout an existing building other than a Group R, Division 3 occupancy or a U occupancy when accessory to a Group R, Division 3 occupancy whenever additions exceed ten (10) percent of the total floor area of the existing building, and the total combined floor area will exceed 2,000 square feet (185.8 m<sup>2</sup>), or a second story or greater is added.

5. Throughout an existing Group R, Division 3 occupancy or Group U occupancy when accessory to a Group R, Division 3 occupancy whenever:

a. Additions exceed ten (10) percent and total combined floor area will exceed 3,000 square feet (278.7 m<sup>2</sup>); or

b. The total combined floor area will exceed 5,000 square feet (464 m<sup>2</sup>).

6. Group B and M occupancies whenever single or multiple additions will exceed 1,000 square feet (92.9 m<sup>2</sup>) beyond the size of the structure on the effective date of this regulation, or the total combined floor area will exceed 5,000 square feet (464.5 m<sup>2</sup>), or a second story or greater is added.

7. Group A, B, E, F, M and S occupancies where one of the following conditions exist in existing buildings when modification or tenant improvements are being considered:

1. The fire area exceeds 5,000 sq. ft. (464 m<sup>2</sup>).

2. The fire area has an occupant load of 100 or more.

3. The fire area is located on the floor other than a level of exit discharge serving A, B, E, F, M and S occupancies.



4. The structure exceeds 5,000 sq. ft. (464 m<sup>2</sup>), contains more than one fire area containing A, B, E, F, M and S occupancies and is separated into two or more buildings by firewalls of less than four-hour fire resistance rating without openings.

8. In A-5, F-1 and S-1 building occupancy as follows:

1. An automatic sprinkler system shall be provided for Group A-5 Occupancies in the following areas: concession stands, retail areas, press boxes and other accessory use areas in excess of 1,000 square feet (90 m<sup>2</sup>).

2. A Group F-1 Occupancy used for the manufacture of upholstered furniture or mattresses exceeds 2,500 square feet (232 m<sup>2</sup>).

3. Woodworking Operations. An automatic sprinkler system shall be provided throughout all Group F-1 occupancy fire areas that contain wood-working operations in excess of 2,500 square feet in area which generate finely divided combustible waste or which use finely divided combustible materials. A firewall of less than four hour fire-resistance rating without openings, or any firewall with openings, shall not be used to establish separate fire areas.

4. A Group S-1 occupancy used for the storage of upholstered furniture or mattresses exceeds 2,500 square feet (232 m<sup>2</sup>).

9. Any commercial occupancy, A, B, E, F, M, and S that is converted to an R occupancy adjoining other commercial uses.

**903.2.11 Additions to existing buildings equipped with an automatic fire sprinkler system.** For the purpose of requiring the automatic fire sprinkler systems specified in this chapter, the floor area within the surrounding exterior walls shall be considered as one building.

**903.2.21 Flow switch.** All sprinkler systems including NFPA 13, 13R and 13D shall require a flow switch that is connected to a local bell and is highly encouraged to have an inspector test valve at the most hydraulically remote location per Atascadero Fire Department standards.

**903.2.13 Automatic fire-extinguishing system.** An automatic fire-extinguishing system shall be installed as set forth in Section 903.2 of the California Fire Code as amended in Section 4-7.103 of the Atascadero Municipal Code.

(l) Add Sections 907.1~~10~~ through 907.1~~10~~.2 to read as follows:

**907.11 False alarms.** The fire code official is authorized to seek cost recovery for a fire department response to an alarm system activation which is determined to be a false alarm caused by system malfunction, system misuse or other non-emergency causes.

**907.11.1 False alarm frequency.** The cost recovery fee will be charged for all responses after the second false alarm in a calendar year.

**907.11.2 False alarm fee.** The amount of the cost recovery fee will be as set forth in the City of Atascadero User Fees Schedule. Additional fees may be charged for extraordinary circumstances.

(m) Amend Section 1204.2 to read as follows:

**1204.2 Access and pathways.** Roof access, pathways and spacing requirements shall be provided in accordance with Sections 1204.2.1 through 1204.3.3. Pathways shall be over areas capable of supporting firefighters accessing the roof. No portion of a pathway shall be located on a portion of a gable roof overhanging the gable rafter or truss. Pathways shall be located in areas with minimal obstructions. Such as vent pipes, conduit or mechanical equipment.

**Exceptions:**

1. Detached, non-habitable Group U structures including, but not limited to, detached garages serving Group R-3 buildings, parking shade structures, carports, solar trellises and similar structures.
2. Roof access, pathways, and spacing requirements need not be provided where the fire code official has determined that rooftop operations will not be employed.

(n) Amend Section 1204.2.1.1 to read as follows:

**1204.2.1.1 Pathways to ridge.** Not fewer than two 36 inch wide (914mm) pathways on each roof plane on which modules are located, or on adjacent roof planes or straddling the same and adjacent roof planes, from lowest roof edge to ridge, shall be provided on all buildings.

**Exception:**

1. These requirements shall not apply to structure designed and constructed in accordance with the *California Residential Code*.
2. These requirements shall not apply to roofs with slopes of 2 units vertical in 12 units horizontal or less.

(o) Amend Section 1204.2.1.2 to read as follows:

**1204.2.1.2 Setbacks at ridge.** A setback of not less than 36 inches (914mm) is required on both sides of a horizontal ridge.

(p) Delete Section 1204.2.1.3

(q) Amend Section 1204.2.2 to read as follows:

**1204.2.2 Emergency escape and rescue openings.** Panels and modules installed on Group R-3 buildings shall not be placed on the portion of a roof that is below an emergency escape and rescue opening. A pathway of not less than 36 inches (914mm) wide shall be

provided from the emergency escape and rescue opening to the eave directly below and a 36 inch wide (914mm) shall be provided directly in front of the full length of the wall line containing the emergency escape and rescue opening(s).

(r) Amend Section 1204.3.2 to read as follows:

**1204.3.2 Interior pathways.** Interior pathways shall be provided between array sections to meet the following requirements:

1. Pathways shall be provided at intervals not greater than 150 feet (45,720 mm) throughout the length and width of the roof.
2. A pathway of not less than 4 feet (1219 mm) wide in a straight line to roof standpipes or ventilation hatches.
3. A pathway not less than 4 feet (1219 mm) wide around roof access hatches, with not fewer than one such pathway to a parapet or roof edge.
4. A pathway of not less than 4 feet (1219 mm) wide to and around each piece of powered mechanical equipment.

(s) Amend Section 1204.4 to read as follows:

**1204.4 Ground-mounted photovoltaic panel systems.** Ground-mounted photovoltaic panel systems shall comply with Section 1204.1 and this section. Setback requirements shall not apply to ground-mounted, free-standing photovoltaic arrays. A clear, brush-free area of 10 feet (3048 mm) shall be required around ground-mounted photovoltaic arrays and under the array. Arrays shall be located a minimum of 20 feet (6096 mm) from other structures and shall not be located so as to impede access to and around a structure in any manner. Mounts shall be of non-combustible construction. No storage shall be permitted under the panel arrays. Arrays shall not be located upon biological conservation easements, riparian or vernal pool area.

(t) Amend definition of Wildland-Urban Interface Fire Area in Section 4902.1 to read as follows:

**WILDLAND-URBAN INTERFACE FIRE AREA.** A geographical area identified by the City of Atascadero as a “Fire Hazard Severity Zone” in accordance with the Public Resources Code, Sections 4201 through 4204, and Government Code, Sections 51175 through 51189, or other areas designated by the enforcing agency to be at a significant risk from wildfires, as designated on the map titled Wildland-Urban Interface Fire Area, dated January 1, 2021, on file in the offices of the Atascadero Fire and Emergency Services Department and Community Development Department.

**4-7.104 Modifications to the International Wildland-Urban Interface Code.**

The following are local modifications to the 2015 Edition of the Wildland-Urban Interface Code (WUI). Interpretations of the Fire Code shall be made by the City of Atascadero Fire Chief or their designee.

\_\_\_\_ (a) Delete Appendix C, E and G.

\_\_\_\_ (b) Amend Section 101.1 to read as follows:

**101.1 Title.** These regulations shall be known as the Wildland-Urban Interface Code of the City of Atascadero, hereinafter referred to as “this code.” References throughout this code to the International Building Code shall mean California Building Code. References throughout this code to the International Fire Code shall mean California Building Code.

\_\_\_\_ (c) Add Section 101.1.1 to read as follows:

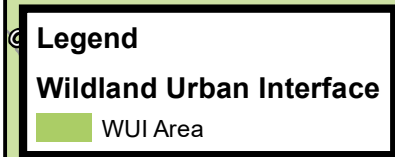
**101.1.1 Code official designated.** For the purposes of this code, the code official shall be the fire code official or building official as established in the building construction and fire codes adopted by the City.

\_\_\_\_  
  
\_\_\_\_ (d) Amend Section 302.1 to read as follows:

**302.1 Declaration.** Wildland-Urban Interface areas shall be established by the Fire Hazard Severity Zones designated by the State of California or as declared by the City Council.

\_\_\_\_ (e) Amend Chapter 5 to read as follows:

**Section 501.** Chapter 5 is deleted in its entirety. Ignition Resistant Construction shall be as set forth in Chapter 7A of the California Building Code as amended in Section 8-3.101 of the Atascadero Municipal Code.



Print Date: 01/19/2021  
Printed by: GIS Division



# ***Atascadero City Council***

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## ***Staff Report – City Manager’s Office***

### **SB1090 Fund Allocation**

#### **RECOMMENDATIONS:**

Council:

1. Authorize the Director of Administrative Services to appropriate \$125,000 of SB1090 Funds for the Atascadero Chamber of Commerce Bridgeworks Expansion Project.
2. Authorize the Director of Administrative Services to appropriate \$15,000 of SB1090 Funds for the remaining portion of fiscal year 2020-2021 to establish a new Deputy Community Development Director- Economic Development and Long-Range Planning position.
3. Authorize the City Manager to establish a new Deputy Community Development Director- Economic Development and Long-Range Planning position.
4. Amend the fiscal year 2020-2021 monthly salary schedule to include the new Deputy Community Development Director- Economic Development and Long-Range Planning position and correct other positions as follows:

CLASSIFICATION	STEP A	STEP B	STEP C	STEP D	STEP E
Deputy Community Development Director- Economic Development and Long-Range Planning	\$7,689.59	\$8,074.07	\$8,477.77	\$8,901.66	\$9,346.74
<del>Deputy Community Development Director</del>	<del>\$8,074.07</del>	<del>\$8,477.77</del>	<del>\$8,901.66</del>	<del>\$9,346.74</del>	<del>\$9,814.08</del>

5. Authorize the Director of Administrative Services to take additional budgetary actions necessary in future years to expend the remaining SB1090 Funds on the new Deputy Community Development Director- Economic Development and Long-Range Planning position and on broadband projects.

#### **REPORT IN BRIEF:**

In June 2016, Pacific Gas and Electric Company (PG&E) announced that the Diablo Canyon Nuclear Power Plant will close by 2024-2025 after a decommissioning process

with corresponding significant economic impacts to the region. SB1090, sponsored by Senator Monning and Assemblymember Cunningham, allowed for the creation of an economic mitigation fund intended to provide economic development funding to local jurisdictions. In December of 2016 the City and other local jurisdictions entered into a settlement agreement with PG&E on the impacts of the closure of Diablo Canyon Nuclear power plant. As part of that agreement, the City will receive just over \$40,000 annually for a period of nine years intended to help offset decreases in property taxes due to the reduced assessed value of Diablo Canyon. The City also received \$783,106 in one-time funds intended to be spent on economic development initiatives.

The City received its one-time economic development mitigation funding payment of \$783,106 last summer and at the February 19-20, 2021 Council Strategic Planning Session the City Council directed staff to earmark and bring back appropriate Council actions to expend the funds as follows:

- Expansion of the Atascadero Chamber of Commerce Bridgeworks
- Creation of a new Economic Development/Long-Range Planning position to be re-evaluated for return on investment in three years. The position is to be funded in part by SB1090 funds and in part from reimbursement from existing grant funds.
- Broadband infrastructure

## **DISCUSSION:**

### **Economic Impact of Diablo Canyon Closure**

In June 2016, Pacific Gas and Electric Company (PG&E) announced that the Diablo Canyon Nuclear Power Plant will close by 2024-2025 after a decommissioning process with a corresponding loss of jobs and estimated loss of \$920 million in economic impacts to the region. An economic impact study prepared by PG&E in 2013 showed the following regional impacts from Diablo Canyon Power Plant (DCPP):

- In 2011 there were 216 Diablo Canyon employees living in Atascadero with a total payroll of \$29,881,338.
- In 2011 there were an estimated 3,357.5 jobs created regionally by DCPP.
- The total estimated economic impact of DCPP on the local economy in 2011 was \$919,823,060.
- \$222,300,000 was spent by employees of DCPP, their suppliers and their suppliers' suppliers.
- DCPP's economic impact "is spread across a wide spectrum of the local economy, including medical services, restaurants and bars, real estate firms, investment management firms, etc."
- DCPP paid over \$30.8 million in property and unitary taxes in 2011.
- In 2011 90 local non-profit organizations shared a total of \$1.1 million in PG&E charitable funds.
- PG&E collectively volunteered 32,585 hours in 2011

### **Settlement Agreement**

In December 2016, the Council approved the proposed joint settlement agreement which included four components:

1. **Essential Services Mitigation Fund**

A \$75 million Essential Services Mitigation Fund to offset the potential negative impacts to essential public services provided to the community. This will be distributed to the County in nine equal annual installments through 2025 and the County will redistribute the funds to 71 local agencies whose budgets are impacted by the inevitable decrease in unitary tax funding from the power plant. The City will receive \$40,440.60 each year to offset decreased property (unitary) taxes due to the reduced assessed value of Diablo.

2. **Economic Development Fund**

A \$10 million Economic Development Fund to ease the local economic impacts of the plant's closure. The Coalition of Cities received \$5.76 million, the County received \$3.8 million, and the remaining \$400,000 is allocated for regional economic development activities. The cities receiving portions of the fund include San Luis Obispo, Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles and Pismo Beach. Each agency is required to issue an annual report, which describes how the funds are used and assesses the resulting economic development measures or programs. The Coalition's \$5.76 million share of the \$10 million Economic Development Fund was distributed to the six member cities as follows:

• Arroyo Grande	\$ 747,422
• Atascadero	\$ 783,106
• Morro Bay	\$ 497,472
• Paso Robles	\$ 1,150,000
• Pismo Beach	\$ 767,028
• San Luis Obispo	\$ 1,820,000

3. **Emergency Planning**

Continued funding of offsite community and local emergency planning efforts until all spent fuel is in dry cask storage and the two nuclear reactors are fully decommissioned. Total funding in this area could range between \$37.5 million and \$62.5 million over the course of 15 to 25 years.

4. **Agreement on Re-Use or Sale**

An agreement from PG&E that it will not take actions or make decisions on the re-use or sale of land surrounding the power plant, including Wild Cherry Canyon, until PG&E has completed a site-specific decommissioning plan with input from the community.

### **Potential Use of Economic Development Funds**

The settlement requires that the City commit to spending the \$783,106 in Economic Development funds "solely for the purpose of economic development and impact mitigation purposes." This restriction is intended to be broad in nature. Other cities in the County have spent funds on:



City of Paso Robles	Economic development services (Chamber and City Staff); and Business Success Center
City of San Luis Obispo	Infrastructure projects such as improving sidewalk safety in the downtown, and improving access to a business park; shop local campaign; economic development/business retention
City of Pismo Beach	The Pier Plaza experience project
City of Grover Beach (though County allocation)	One-time covid micro-grants (\$100,000) and economic development services by Chamber (\$92,000)
County of San Luis Obispo	The Board has identified funds to be spent on economic development (\$1.7M), housing (\$1M), and infrastructure (\$750K),

At the February 19-20, 2021 Council Strategic Planning Meeting, Council discussed the priorities for expenditure of these SB1090 funds. Based on the discussion, Council directed staff to bring back actions to implement the following plan for the expenditure of SB1090 funds:

- Chamber Request to Expand Bridgeworks: \$125,000. The Chamber of Commerce asked for \$125,000 in funding from the City to expand the co-working space. The expansion could accommodate up to 15 new private offices and 5 new reserved/unreserved desks which would serve dozens of co-workers here in the downtown. Keeping workers here in Atascadero, and particularly in the Downtown, is a key component to the City's economic development strategy. The increased daytime population will increase the demand for shops, restaurants and other amenities that the community would like to see. The Chamber will seek the remaining funds necessary to complete the Project from the County.
- Economic Development Manager estimated at \$270,000. While economic development has been the focus of the City, the City has not had a staff position that could dedicate a significant amount of time to economic development. An additional staff member with economic development experience would spearhead projects such as:
  - Broadband
  - Workforce development
  - Mitigating business barriers
  - Business retention and expansion
  - Community and business engagement
  - Marketing
  - Grant writing
  - Ombudsman services

A qualified professional is estimated to cost between \$130,000 and \$160,000 annually, depending on experience, health insurance and PERS costs. While not increasing the total cost to the City, there are another \$20,000 of annual costs, such as the PERS UAL, that will also be allocated to this position (reducing the allocation to other positions).

The Community Development staff has done an admiral job of devoting time to economic development, however, there are some significant projects in the next few years that will considerably increase the workload of this understaffed department. Upcoming Community Development projects include:

Project	Funding Source
General Plan Update	Identified General Funds
Update of subdivision ordinance	SB 2
Development and adoption of objective design standards	SB 2, REAP
Development and adoption of inclusionary housing ordinance	SB 2
Inventory/quantify commercial space	LEAP
Identify Mixed-use opportunity zones	LEAP
Develop and adopt Mixed-use standards	LEAP
Technical studies/resource identification	LEAP
Adoption of CEQA thresholds	LEAP, REAP
Zoning code analysis and evaluation	LEAP
Update accessory dwelling unit chapter of municipal code	LEAP
Evaluation of underutilized RMF parcels in the City	REAP
Adopt small lot policy and update Muni Code Chapter 11	REAP
Housing Element identified zoning ordinance updates	REAP
ADU Stock Plans	REAP

These projects are in addition to the large commercial projects that are currently in process such as La Plaza, Del Rio Marketplace, Del Rio Ranch, Dove Creek Commercial Center, Barrel Creek, and various infill projects along North El Camino Real.

In order to stretch funds and alleviate a significant increase in planning work, the Council directed staff to bring back for approval a hybrid position that devotes a portion of time to economic development and a portion of their time to the projects identified above. Funding would come from both SB1090 and the project funding sources identified above. Approximately half of the position will be funded from SB1090 funds for a period of three years and will be re-evaluated near the end of the three year term for effectiveness and return on investment. (No portion of this position will be funded with Measure D-20 funds.)

A person with both economic development experience and planning experience will help move all of these critical initiatives forward. In order to hire a person with appropriate planning and economic development experience, staff is recommending that this position be hired at the Deputy Director level.

- Broadband approximately \$390,000. Broadband availability and capability are a critical part of most businesses today and thus must be a critical part of the City's economic development strategy if the City hopes to attract high quality jobs to Atascadero. While conversations have taken place with various internet service providers over the years, due to capacity constraints and lack of expertise, there has not been much forward progress in assessing the deficiencies in the current system and following through on various methods to stimulate increased broadband capabilities. Other cities such as Ontario and Atherton have invested significant amounts to insure that the businesses and residents in those communities have access to fast internet service. Local jurisdictions such as Paso Robles, Grover Beach and San Luis Obispo have also invested in increasing fiber network capabilities. The City of Atascadero has not had the capacity, nor the funding to help expand broadband capabilities in the City.

Examining current broadband availability and deficiencies will be one of the primary responsibilities of the new economic development position, along with development and implementation of a broadband improvement plan.

## **SUMMARY:**

In July of 2019, the City received \$783,106 in PG&E settlement funds intended to be spent on economic development activities. The City Council provided direction on which economic activities should be undertaken with these funds at their February 19-20, 2021 Strategic Planning Meeting. Council directed staff to bring back actions necessary to expend these funds on the expansion of Bridgeworks, the addition of staff devoted to economic development and to improving the City's broadband capabilities. In order to provide funds for Bridgeworks and hire the new economic development position in this fiscal year, Council must formally appropriate the funds and authorize the hiring of the new position.

## **FISCAL IMPACT:**

The actions proposed will result in the expenditure of \$140,000 of SB1090 Funds in the current fiscal year and sets forth plans to expend the remaining \$643,106 of SB1090 over the next three years.

## **ALTERNATIVES:**

Council may choose to re-prioritize or allocate SB1090 funds on other economic development projects.

ITEM NUMBER:  
DATE:

A-3  
03/09/21

## **ATTACHMENTS:**

1. PG&E Settlement Agreement
2. Atascadero Chamber of Commerce Bridgeworks Co-Working Expansion - Budget Request

**BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric  
Company for Approval of the Retirement of  
Diablo Canyon Power Plant, Implementation of  
the Joint Proposal, And Recovery of Associated  
Costs Through Proposed Ratemaking  
Mechanisms

(U 39 E)

Application 16-08-006  
(Filed August 11, 2016)

**SETTLEMENT AGREEMENT BETWEEN  
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E),  
THE COUNTY OF SAN LUIS OBISPO, THE CITY OF ARROYO GRANDE,  
THE CITY OF ATASCADERO, THE CITY OF MORRO BAY, THE CITY OF PASO  
ROBLES, THE CITY OF PISMO BEACH, THE CITY OF SAN LUIS OBISPO,  
THE SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT, FRIENDS OF THE  
EARTH, NATURAL RESOURCES DEFENSE COUNCIL, ENVIRONMENT  
CALIFORNIA, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS  
LOCAL 1245, COALITION OF CALIFORNIA UTILITY EMPLOYEES,  
AND ALLIANCE FOR NUCLEAR RESPONSIBILITY**

**SETTLEMENT AGREEMENT BETWEEN  
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E),  
THE COUNTY OF SAN LUIS OBISPO, THE CITY OF ARROYO GRANDE,  
THE CITY OF ATASCADERO, THE CITY OF MORRO BAY, THE CITY OF PASO  
ROBLES, THE CITY OF PISMO BEACH, THE CITY OF SAN LUIS OBISPO,  
THE SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT, FRIENDS OF THE  
EARTH, NATURAL RESOURCES DEFENSE COUNCIL, ENVIRONMENT  
CALIFORNIA, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS  
LOCAL 1245, COALITION OF CALIFORNIA UTILITY EMPLOYEES,  
AND ALLIANCE FOR NUCLEAR RESPONSIBILITY**

The County of San Luis Obispo (“County”), the Cities of Arroyo Grande, Atascadero, Morro Bay, Paso Robles, Pismo Beach, and San Luis Obispo (collectively, the “Cities”), the San Luis Coastal Unified School District (“District”), Pacific Gas and Electric Company (“PG&E”), and Friends of The Earth, Natural Resources Defense Council, Environment California, International Brotherhood of Electrical Workers Local 1245, Coalition of California Utility Employees, and Alliance For Nuclear Responsibility (together with PG&E, the “Joint Parties” to the Joint Proposal filed as Attachment A to the Application in the above-referenced proceeding) (collectively, the “Parties”), enter into this Settlement Agreement (“Settlement”) as a compromise of their respective litigation positions to resolve the disputed issues between the Parties raised in the above-captioned proceeding. This Settlement addresses the Community Impact Mitigation Program (“CIMP”) proposed by PG&E in this proceeding, including the ratemaking treatment for the CIMP. The Parties request the California Public Utilities Commission’s (“Commission”) approve the Settlement as just and reasonable.

**BACKGROUND**

A. On August 11, 2016, PG&E filed this Application seeking the Commission’s approval to implement portions of a Joint Proposal for the Retirement of Diablo Canyon Power Plant (“Joint Proposal”). Concurrent with filing the Application, PG&E also served its Prepared Testimony and workpapers. On September 15, 2016, the Cities filed a protest and motion for

party status in this proceeding and the District filed a response to the Application. The County served its response on September 15, 2016, but a filing error prevented the response from being docketed. The County filed a motion for leave to late-file a response to the Application on September 23, 2016; the motion was granted and the County formally filed its response October 6, 2016. On September 26, 2016, PG&E filed a reply to the responses and protests filed by parties, including those of the Cities, the County, and the District.

B. In its Application, PG&E proposed a \$49.5 million fund as part of the CIMP to provide transitional assistance to the local community in connection with the retirement of the Diablo Canyon Nuclear Power Plant (“Diablo Canyon”). PG&E proposed a stream of mitigation payments between 2017 and 2025 as a way to assist the local community to prepare and plan for the long-term loss of economic stimulus that Diablo Canyon provides. PG&E calculated the size of the community impact mitigation payments based upon the forecasted reductions in Diablo Canyon property tax base over that same period. The rapid loss of unitary tax funding levels will have significant impacts on the County, the District and 71 other local taxing jurisdictions.

C. PG&E entered into settlement discussions with the Cities, the County, and the District to address concerns about PG&E’s proposal. The County, District, and PG&E each met with the the State Board of Equalization (“SBE”) to better understand the unitary tax allocation methodology and the implications for the local community assuming a 2024 (Unit 1) and 2025 (Unit 2) shutdown of Diablo Canyon. As a result of these discussions, the Parties have learned that the proposed \$49.5 million mitigation fund was based on simplified assumptions and understates the reduction in unitary taxes that is likely to occur over the next 9 years. The County, District, PG&E, and the remaining Joint Parties have reached a compromise on the appropriate funding levels for an Essential Services Mitigation Fund, as set forth in this Settlement.

D. Public Utilities Code Section 712.5 (added by Senate Bill (“SB”) 968 (2016, Monning)) requires the Commission to cause an assessment of adverse and beneficial economic impacts for the County and surrounding regions that could occur due to the shutdown of Diablo Canyon (“Monning Report”). The Monning Report will review potential actions for the state and local jurisdictions to consider in order to mitigate the economic impacts of a shutdown. The Cities have requested that the Commission review such issues in this proceeding and have expressed concern that the Monning Report will not be completed in time for consideration in the proceeding. The County has suggested the Monning Report be considered in a second phase of this proceeding or a separate proceeding initiated after this proceeding concludes. PG&E has taken the position that such economic impacts are out of scope in this proceeding given the separate procedural path specified by the California Legislature for review. On November 18, 2016, the Assigned Commissioner and Administrative Law Judge filed the scoping memo in this matter, finding community economic impacts to be within the scope of the current proceeding. Notwithstanding that ruling, the Cities, County, PG&E, and the remaining Joint Parties have reached a compromise on the procedural path for the future evaluation of economic impacts and the creation of an Economic Development Fund, as set forth in this Settlement.

E. In the Application, PG&E also proposed to continue support for local emergency planning and preparedness after the cessation of plant operations in 2025. The County has requested assurances that PG&E’s commitment to supporting local emergency planning and preparedness will also continue for the duration of Diablo Canyon’s operation through 2025 as well as after the cessation of plant operations. The County, PG&E, and the other Joint Parties have reached a compromise that provides these assurances, as set forth in this Settlement.



## **SETTLEMENT TERMS AND CONDITIONS**

In order to avoid the risks and costs of litigation, the Parties agree to the following terms and conditions as a complete and final resolution of the CIMP-related issues between the Parties in this proceeding, subject to reservations of rights set forth herein by the County, the District, the Cities, and PG&E to address economic impact issues in a future proceeding informed by the Monning report and other subsequently developed economic impact data. Not all Parties have agreed to all terms set forth in the Appendices to this Agreement. Each of the Parties has agreed to support those Appendices described in Sections 1-3, below, in which the specific Party is named. Each of the Parties agree not to oppose any terms set forth in the Appendices to this Settlement to which the Party has not specifically agreed.

### **1. Essential Services Mitigation Fund**

1.1. The County, District, PG&E, and the Joint Parties agree to the terms governing an Essential Services Mitigation Fund, as set forth in Appendix 1 to this Settlement.

### **2. Evaluation and Mitigation of Regional Economic Impacts**

2.1. The Cities, County, PG&E, and the Joint Parties agree to the terms governing the evaluation and mitigation of regional economic impacts, including the process for further consideration of the Monning Report and the creation of an Economic Development Fund, as set forth in Appendix 2 to this Settlement.

### **3. Emergency Planning and Preparedness and Future Land Use**

3.1. The County, PG&E, and the Joint Parties agree to the terms governing emergency planning and preparedness and the future use and disposition of Diablo Canyon lands, as set forth in Appendix 3 to this Settlement.

**4. Support for Other Provisions of the Diablo Canyon Application**

4.1. The Parties agree it is critical to retain the highly-skilled workforce at Diablo Canyon during the remaining years of operations in order to assure safe and reliable operations. The Parties support the approval of the Employee Program as described in Chapter 7 of the Diablo Canyon Application.

4.2. The County, Cities, and the District have reviewed all other portions of PG&E's Application, testimony, and workpapers and do not oppose or take no position on the relief requested in PG&E's Application, as modified by this Settlement.

**5. Modification to the Joint Proposal**

5.1. This Settlement results in a modification to Section 4 of the Joint Proposal, by and among PG&E, Friends of The Earth, Natural Resources Defense Council, Environment California, International Brotherhood of Electrical Workers Local 1245, Coalition of California Utility Employees, and Alliance For Nuclear Responsibility. The Joint Parties hereby agree upon and support such modification.

**GENERAL PROVISIONS**

**6. Scope and Approval**

6.1. In accordance with Rule 12.5, the Parties intend that Commission adoption of this Settlement will be binding on the Parties, including their legal successors, assigns, partners, members, agents, parent or subsidiary companies, affiliates, officers, directors, and/or employees. Unless the Commission expressly provides otherwise, and except as otherwise expressly provided herein, such adoption does not constitute approval or precedent for any principle or issue in this or any future proceeding.

6.2. The Parties agree that this Settlement is subject to approval by the Commission. After the Parties have signed this Settlement, the Parties shall jointly file a motion for Commission approval and adoption of this Settlement, which may be submitted along with additional partial settlements in this proceeding. The Parties will furnish such additional information, documents, and/or testimony as the ALJ or the Commission may require in granting the motion adopting this Settlement.

6.3. The Parties agree to support the terms of this Settlement to which they have expressly agreed and to use their best efforts to secure Commission approval of those terms in their entirety without modification.

6.4. The Parties agree to recommend that the Commission approve and adopt this Settlement in its entirety without change.

6.5. The Parties agree that, if the Commission fails to adopt this Settlement in its entirety and without modification, the Parties shall convene a settlement conference within fifteen (15) days thereof to discuss whether they can resolve the issues raised by the Commission's actions. If the Parties cannot mutually agree to resolve the issues raised by the Commission's actions, the Settlement shall be rescinded and the Parties shall be released from their obligation to support the Settlement. Thereafter, the Parties may pursue any action they deem appropriate, but agree to cooperate in establishing a procedural schedule.

6.6. The Parties agree to actively and mutually defend all terms of this Settlement to which each Party has agreed if the adoption of those terms is opposed by any other party.

6.7. This Settlement constitutes a full and final settlement of all issues reviewed by the County, Cities, and District in the above-captioned proceeding. This Settlement constitutes the Parties' entire settlement concerning the CIMP, which cannot be amended or modified without the express written and signed consent of all the Parties hereto.

**7. Miscellaneous Provisions**

7.1. The Parties agree that no signatory to the Settlement or any employee thereof assumes any personal liability as a result of the Settlement.

7.2. If any Party fails to perform its respective obligations under the Settlement, the other Party may come before the Commission to pursue a remedy including enforcement.

7.3. The provisions of this Settlement are not severable. If the Commission, or any competent court of jurisdiction, overrules or modifies as legally invalid any material provision of the Settlement, the Settlement may be considered rescinded as of the date such ruling or modification becomes final, at the discretion of the Parties.

7.4. The Parties acknowledge and stipulate that they are agreeing to this Settlement freely, voluntarily, and without any fraud, duress, or undue influence by any other party. Each party states that it has read and fully understands its rights, privileges, and duties under the Settlement, including each Party's right to discuss the Settlement with its legal counsel and has exercised those rights, privileges, and duties to the extent deemed necessary.

7.5. In executing this Settlement, each Party declares and mutually agrees that the terms and conditions to which it has expressly agreed are reasonable, consistent with law, and in the public interest.

7.6. No Party has relied, or presently relies, upon any statement, promise, or representation by any other Party, whether oral or written, except as specifically set forth in this Settlement. Each Party expressly assumes the risk of any mistake of law or fact made by such Party or its authorized representative.

7.7. This Settlement may be executed in separate counterparts by the different Parties hereto with the same effect as if all Parties had signed one and the same document. All such


counterparts shall be deemed to be an original and shall together constitute one and the same Settlement.

7.8. Except as otherwise specifically provided in Appendix 2 specifying time of payment of the Economic Development Fund within 30 days after Commission's approval of the Application, Joint Proposal, and this Settlement, this Settlement shall become effective and binding on the Parties as of the date it is approved by the Commission in a final and non-appealable decision.

7.9. This Settlement shall be governed by the laws of the State of California as to all matters, including but not limited to, matters of validity, construction, effect, performance, and remedies.


The Parties mutually believe that, based on the terms and conditions stated above, this Settlement is reasonable in light of the whole record, consistent with the law, and in the public interest. The Parties' authorized representatives have duly executed this Settlement on behalf of the Parties they represent.

**PACIFIC GAS AND ELECTRIC  
COMPANY**

  
Name: STEVEN E. MACKNIGHT  
Title: SENIOR VICE PRESIDENT, REGULATORY  
AFFAIRS

Date: 12/15/16

**COUNTY OF SAN LUIS OBISPO**

  
Name: Dan Buckshi  
Title: County Administrative Officer

Date: December 14, 2016

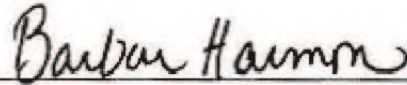
**SAN LUIS COASTAL UNIFIED  
SCHOOL DISTRICT**



Name: ERIC PRATER, Ed.D.  
Title: Superintendent

Date: December 5, 2016

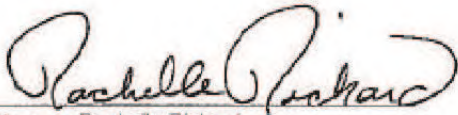
**CITY OF ARROYO GRANDE**



Name:  
Title: Mayor Pro Tem

Date: December 15, 2016

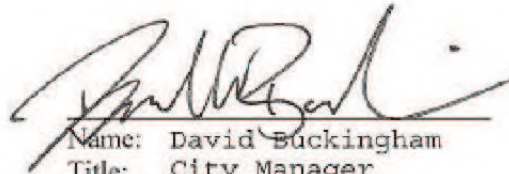
**CITY OF ATASCADERO**



Name: Rachelle Rickard  
Title: City Manager

Date: December 14, 2016

**CITY OF MORRO BAY**



Name: David Buckingham  
Title: City Manager

Date: Dec. 8, 2016

**CITY OF PASO ROBLES**



Name:  
Title: City Manager

Date: 12-21-16

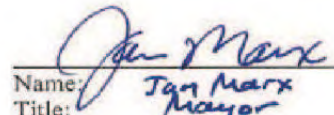
**CITY OF PISMO BEACH**



Name: JAMES K. LEWIS  
Title: CITY MANAGER

Date: 12-6-16

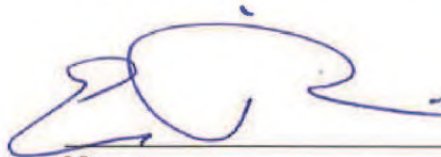
**CITY OF SAN LUIS OBISPO**



Name: Jay Marx  
Title: Mayor

Date: 12-8-2016

**FRIENDS OF THE EARTH**

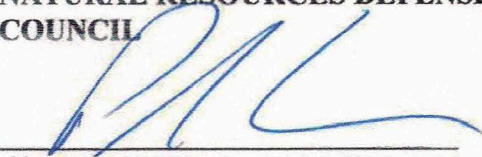


Name:  
Title: PRESIDENT

Date: DEC 15, 2016



**NATURAL RESOURCES DEFENSE  
COUNCIL**



Name: Peter Miller  
Title: Director, Western Energy Project

Date: December 16, 2016

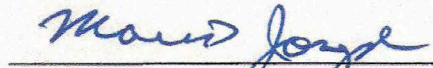
**ENVIRONMENT CALIFORNIA**



Name: Dan Jacobson  
Title: Legislative Director

Date: December 20, 2016

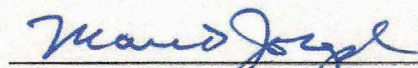
**INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS LOCAL 1245**



Name: MARC D. JOSEPH  
Title: ATTORNEY

Date: 12/16/16

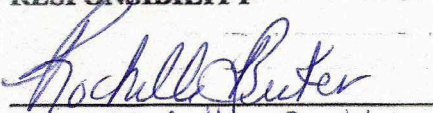
**COALITION OF CALIFORNIA  
UTILITY EMPLOYEES**



Name: MARC D. JOSEPH  
Title: ATTORNEY

Date: 12/16/16

**ALLIANCE FOR NUCLEAR  
RESPONSIBILITY**



Name: Rochelle Becker  
Title: Executive Director

Date: 12/22/16

**Appendix 1 - Essential Services Mitigation Fund Terms  
(District/County/PG&E)**

1. The Essential Services Mitigation Fund (“ESMF”) will be increased from \$49.5 million to \$75 million, of which \$10 million will be dedicated to an educational foundation to be designated by the San Luis Coastal Unified School District (“District”). These funds, including the \$10 million portion to be dedicated to a District educational foundation, will be distributed to San Luis Obispo County (“County”) in nine equal annual installments through 2025. The funds will be distributed on September 1st of each year, following a final and non-appealable CPUC decision approving the settlement and the Diablo Canyon Application, as revised. If final and non-appealable CPUC approval of this settlement is not obtained by September 1, 2017, the first distribution will occur 30 days after such approval is issued, unless otherwise agreed. The parties will meet and confer within 30 days of the filing of any application for rehearing or appeal of the CPUC decision approving this Settlement. The payments will continue as scheduled for the full 9 year period even in the event one or both Diablo Canyon Units closes early. The Parties accept the risk that Diablo Canyon may close before the scheduled dates in 2024 and 2025 and will not request any additional financial compensation in such an event.
2. The County will redistribute the funds based on a revision of the 2015/2016 unitary factors to the taxing jurisdictions whose unitary tax funding is negatively impacted by the closure of Diablo Canyon within two weeks of receiving the PG&E payment and will cause \$2 million of the District’s share of each of the first five installment payments to be deposited into the account of the District’s designated educational foundation. The recalculation of the unitary tax factors will exclude local agencies whose funding is not impacted by unitary tax. The allocation that the County shall use in allocating the ESMF is set forth in Attachment A to this Appendix 1.
3. The parties agree that the compromise they have reached is a settlement and is not intended to be a substitute or in-lieu tax payment. Estimating potential tax revenue declines is simply one of many factors the parties considered in developing an appropriate and reasonable ESMF.
4. The ESMF will be included as part of the overall Community Impact Mitigation Program and collected in rates through the nuclear decommissioning charge over the remaining life of the plant, as described in Chapter 10 of the Diablo Canyon Application.
5. The County and District agree to support the Employee Program set forth in the Application and to not oppose the remaining provisions of the Application, as may be modified through settlements with other parties.
6. This term sheet is subject to (i) final approval by all parties; (ii) negotiation and execution of a final settlement agreement; (iii) agreement by the Joint Parties to the PG&E Joint Proposal for Diablo Canyon (to the extent the terms and conditions result in modifications to the Joint Proposal) and (iv) approval by the CPUC.



**Attachment A to Appendix 1:  
Distribution of the Essential Services Mitigation Fund**

The Essential Services Mitigation Fund (ESMF) of \$75,000,000 is created to assist local jurisdictions whose annual budgets will be impacted by the decline in unitary tax over the next nine years. Local jurisdictions (71) currently receiving unitary tax include the County of San Luis Obispo, Incorporated Cities, Special Districts and Basic-Aid School Districts. The San Luis Obispo County Auditor-Controller-Treasurer-Tax Collector has developed Schedule 1 by starting with 2015/2016 unitary factors and redistributing the percentages allocated to agencies whose budgets are not impacted by the decline in unitary tax. Those agencies' (non-basic aid schools and redevelopment agencies) percentages were redistributed based on the actual 2015/2016 unitary factors so that the allocations of the ESMF include only those agencies whose annual budgets are adversely impacted by the closure of Diablo Canyon. The County Auditor-Controller-Treasurer-Tax Collector will distribute the amounts identified in Schedule 1 to the 71 agencies within two weeks of receiving the annual payment by PG&E. The ESMF is not Unitary Tax and will not change any prescribed Unitary Tax distributions.

The ESMF will be distributed annually in 9 equal and consecutive payments of \$8,333,333.33 from PG&E to the County of San Luis Obispo on the 1<sup>st</sup> of September beginning in 2017. If final and non-appealable CPUC approval of this settlement is not obtained by September 1, 2017, the first distribution will occur 30 days after such approval, unless otherwise agreed. The payments will continue as scheduled for the full 9-year period even in the event one or both Diablo Canyon Units closes early.

The total distribution to San Luis Coastal Unified School District includes \$10 million that will be dedicated to an educational foundation to be designated by the District. The County will cause \$2 million of the District's share from each of the first 5 installment payments to be deposited to the account of the District's Educational Foundation. The other receiving agencies will not be impacted by this distribution.

Schedule 1	Essential Services Mitigation Fund of 75 Million 9 Annual Payments of \$8,333,333.33
Agency	
County of San Luis Obispo – General Fund	\$3,106,644.19
Roads	\$130,559.76
Air Pollution Control District	\$13,202.49
San Luis Obispo County Library	\$223,570.15

Schedule 1 – continued	Essential Services Mitigation Fund of 75 Million 9 Annual Payments of \$8,333,333.33
Agency	
Garden Farms Water	\$273.50
Santa Maria Valley Water Conservation District	\$356.23
Cambria Community Hospital	\$2,823.44
Cayucos Sanitary District	\$4,030.04
City of Arroyo Grande	\$30,202.90
City of Atascadero (including sanitation)	\$40,440.60
City of Grover Beach	\$12,615.28
City of Morro Bay	\$104,716.70
City of Paso Robles	\$40,387.74
City of Pismo Beach	\$20,581.13
City of San Luis Obispo	\$76,962.63
Cachuma Resource Conservation District	\$210.29
Port San Luis Harbor District	\$170,300.53
California Valley Community Services District	\$1,330.71
Nipomo Community Services District	\$3,608.31
Cambria Community Services District	\$13,658.70
San Simeon Acres Community Services District	\$667.65
Templeton Community Services District	\$5,235.49
Nipomo Sewer Maintenance	\$103.42
Nipomo Drain Maintenance	\$103.42
Linne Community Services District	\$119.51
Grover City Street Light District #1	\$2,962.49
San Luis Obispo County Flood Control District	\$32,067.95
Nacimiento Water Services District	\$39,975.20
Flood Control Zone 1	\$998.60
Flood Control Zone 1A	\$104.57
Flood Control Zone 3	\$1,807.60
Flood Control Zone 9	\$3,776.08
County Waterworks No. 8	\$344.74
Nipomo Lighting District	\$241.32
San Miguel Community Services District - Lighting	\$613.64
County Service Area # 23(former Santa Margarita Lighting)	\$227.53
County Service Area #1	\$65.50
County Service Area #1 Zone A	\$280.39
County Service Area #1 Zone B	\$143.64
County Service Area #1 Zone C	\$52.86
County Service Area #1 Zone D	\$212.59
County Service Area #7	\$288.43
County Service Area #7 Zone A	\$1,184.77
County Service Area #7 Zone B	\$265.45
Los Osos Community Services District Zone A	\$2,022.49
Los Osos Community Services District Zone B	\$11,629.32

Schedule 1 – continued	Essential Services Mitigation Fund of 75 Million 9 Annual Payments of \$8,333,333.33
Agency	
Los Osos Community Services District Zone C	\$116.06
Los Osos Community Services District Zone F	\$66.65
County Service Area #10	\$998.60
County Service Area #12	\$3,524.42
County Service Area #16	\$217.19
Heritage Community Services District	\$1,740.95
San Miguel Sanitary District	\$429.78
Oceano Community Services District	\$5,668.72
Cayucos Fire District	\$1,290.49
San Miguel Community Services District - Fire	\$2,090.29
Santa Margarita Fire District	\$887.14
Arroyo Grande Cemetery District	\$897.48
Atascadero Cemetery District	\$2,489.04
Cambria Cemetery District	\$640.07
Cayucos-Morro Bay Cemetery District	\$10,058.44
Paso Robles Cemetery District	\$2,978.58
San Miguel Cemetery District	\$611.34
Santa Margarita Cemetery District	\$707.87
Shandon Cemetery District	\$480.34
Templeton Cemetery District	\$674.55
Avila Beach County Water District	\$31,330.20
Avila County Water Improvement District #1	\$1,341.05
Coast Unified School District (Cayucos Elem)	\$16,515.47
Coast Unified School District	\$54,799.13
San Luis Coastal Unified School District – Note: For the first 5 distributions \$2,000,000 will be deposited in the District's Educational Foundation	\$4,090,809.51
Annual Total	\$8,333,333.33

**Appendix 2 - Economic Development Fund Terms  
(Coalition Cities/County/PG&E)**

1. The Parties agree that the economic impacts of Diablo Canyon closure should be considered as a part of a separate CPUC proceeding following issuance of the economic analysis specified in California Public Utilities Code Section 712.5 (“Monning Report”). The Parties support Commission approval of this settlement and proceeding with consideration of the remaining scope of the Diablo Canyon Application immediately, without delay for consideration of the economic impacts of Diablo Canyon closure.
2. The Parties agree that the Diablo Canyon Application should be revised to include a \$10 million payment by PG&E to the County and to the Cities of Arroyo Grande, Atascadero, Morro Bay, Paso Robles, Pismo Beach and San Luis Obispo (collectively, the “Coalition of Cities”) to establish a fund for implementation of regional economic development and job creation programs (collectively, the “Economic Development Fund”). The County and the Coalition of Cities agree to further distribute those payments pursuant to the allocation methodology set forth in Attachment A. The purpose of the Economic Development Fund is to provide immediate funding for actions to create new economic development opportunities and mitigate impacts associated with the pending closure of Diablo Canyon.
3. Within 18 months of the payment by PG&E of the Economic Development Fund, the County and each of the Coalition of Cities will prepare a report that (i) enumerates and describes the expenditures from the Economic Development Fund and (ii) assesses the results and effectiveness of the economic development measures or programs resulting from such expenditures (the “Initial Report”). The County and each of the Coalition of Cities will prepare subsequent annual updates to the Initial Report until all Economic Development Fund revenues have been expended, at which time the reporting may cease. The Initial Reports and any subsequent updates will be provided to PG&E, and PG&E will submit the reports to the CPUC and make them available to the public. Reports shall report on expenditures on a fiscal year basis. In the event payment of the Economic Development Fund is delayed by any rehearing application or appeal of the CPUC’s decision approving the Diablo Canyon Application, the County and each of the Coalition Cities shall be entitled for purposes of the specified reporting to credit against the Economic Development Fund amounts expended by the Cities for purposes of economic development and impact mitigation between the date the CPUC first issues its decision and the date of payment of the Economic Development Fund pursuant to this agreement.
4. The County and Coalition of Cities commit to spending the Economic Development Fund solely for the purposes of economic development and impact mitigation purposes.
5. PG&E shall pay \$400,000 of the total Economic Development Fund to the County within 30 days of issuance of a decision by the CPUC approving the Diablo Canyon Application and thereafter shall not request any reimbursement of payment from the County or the Coalition of Cities. PG&E shall pay the remaining balance of the Economic Development Fund within 30 days of the final and non-appealable approval of the Diablo Canyon Application, as revised consistent with this Settlement, unless otherwise agreed. The parties will meet and confer within 30 days of the filing of any application for rehearing or appeal of the CPUC decision approving this Settlement.

6. Following issuance of the Monning Report (per SB 968), the Commission will institute a new proceeding to evaluate the results of the Monning Report, take comment, and consider further action. The Parties reserve all rights in such proceeding to advocate for or to oppose further funding of economic impact mitigation by PG&E and/or its customers. PG&E specifically reserves the right to assert that no additional funding, beyond the mitigation payments provided by the Diablo Canyon Application, as modified by this settlement, is required, and the County and the Coalition of Cities or any of the cities specifically reserve the right to seek additional funding beyond the Economic Development Fund. In no event shall the Coalition of Cities or the County be required to refund any amount paid under this Settlement.
7. PG&E, the County, and the Coalition of Cities agree to work together to advocate jointly for additional funding or other assistance from the State of California and Federal government agencies, and their respective legislative bodies, to support the economic transition of the local community to an era without Diablo Canyon in operation. This provision is not intended to bind any Party to any financial commitment or specific position with respect to such advocacy.
8. The Economic Development Fund will be included as part of the overall Community Impact Mitigation Program, as described in Chapter 10 of the Diablo Canyon Application.
9. The County and the Coalition of Cities agree to support the Employee Program set forth in the Application and to not oppose the remaining provisions of the Application, as may be modified through settlements with other parties.
10. This term sheet is subject to (i) final approval by all parties; (ii) negotiation and execution of a final settlement agreement; (iii) agreement by the Joint Parties to the PG&E Joint Proposal for Diablo Canyon (to the extent the terms and conditions result in modifications to the Joint Proposal); and (iv) approval by the CPUC.



### **Appendix 3 – Emergency Planning and Future Land Use Terms (County/PG&E)**

#### **Emergency Planning and Preparedness**

1. The specific costs and detailed plans for emergency planning and preparedness (emergency management) through the decommissioning period will be definitively proposed in the site-specific decommissioning estimate to be submitted to the CPUC as specified in Chapter 8 of PG&E's prepared testimony supporting Application 16-08-006. The purpose of this agreement is to outline the intent of what will be submitted as part of the site-specific decommissioning estimate and is subject to CPUC approval and funding in nuclear decommissioning rates.
2. The parties recognize that PG&E will continue to fund, at current funding levels, the maintenance of all emergency response-related equipment, including the public warning sirens, as well as the approximately \$4 million in funding for offsite state and local emergency planning functions, as required to be adjusted pursuant to state law, through cessation of plant operations in 2025. Infrastructure that is directly maintained by PG&E as of June 21, 2016, will continue to be fully maintained by PG&E.
3. In addition to continued funding per current state law, beyond the expiration of said law, the general intent is that the maintenance of the public warning sirens and funding for offsite community and local emergency planning functions (approximately \$2 million forecast in 2017) will continue until all spent fuel is in dry cask storage and the two nuclear reactors are fully decommissioned (following the surrender of the Part 50 licenses). Using the formula established in Section 8610.5 of the California Emergency Services Act, funding for offsite community and local emergency planning functions will be paid directly to the County of San Luis Obispo.
4. The funding for other emergency preparedness equipment, training, emergency planning functions, and PG&E's emergency response personnel will be informed by the reduced risks that remain and will be more definitively proposed in the site-specific decommissioning estimate.
5. The process for development of the site-specific decommissioning estimate will include formation of a decommissioning advisory panel, which will include representation from the County of San Luis Obispo, industry experts, state and local government representatives, and affected stakeholders.
6. Parties reserve their ability to make arguments in future decommissioning proceedings regarding necessary and appropriate emergency response and preparedness actions and costs associated with Diablo Canyon following the surrender of the Part 50 licenses.

#### **Future Land Use**

1. Issues surrounding the disposition of lands related to Diablo Canyon, including future land uses, will be addressed in the Diablo Canyon site-specific decommissioning plan to be submitted in PG&E's next Triennial Nuclear Decommissioning Proceeding, and the Parties agree they are not within scope of this proceeding.
2. As stated in the October 4, 2016, letter that PG&E sent to the County, which is Attachment A to this Appendix 3, PG&E agrees to complete a site-specific decommissioning plan for the facility

before making any decisions on the disposition of the Diablo Canyon lands. As part of this process, PG&E will convene a community advisory group that will give stakeholders an opportunity to help shape the future use of PG&E's land plans prior to finalizing the site-specific plan. In the meantime, PG&E and its affiliate companies that hold a property interest in the Diablo Canyon lands will not make any commitments on land disposition or post-retirement land use, including the Wild Cherry Canyon parcels, until the stakeholder process is completed and PG&E's recommendations have been considered by the Commission as part of the Diablo Canyon site-specific decommissioning plan.





Thomas Patrick Jones  
Director, Strategic Initiatives

735 Tank Farm Road  
Suite 200  
San Luis Obispo, CA 93401

805-595-6340  
TPJ2@pge.com

October 4, 2016

Dan Buckshi  
County Administrator Officer  
County of San Luis Obispo  
1055 Monterey Street  
San Luis Obispo, CA 93408

Dear Mr. Buckshi:

Pacific Gas and Electric Company (PG&E) has carefully reviewed the County of San Luis Obispo's (County) September 15 response to PG&E's Diablo Canyon Power Plant (DCPP) Application 16-08-006. One of the concerns raised by the County (and other locally-based parties) pertains to the future use of the 12,000 acres of lands surrounding DCPP after the facility is retired. In our September 26 reply to protests and responses, PG&E clarified that we do not yet have a plan for the future use of DCPP lands, that we will commence a public stakeholder process as we evaluate the options, and that we will submit a land use plan to the California Public Utilities Commission (CPUC) in the site-specific decommissioning plan for the facility, which PG&E will file as part of its next Nuclear Decommissioning Triennial Proceeding application in 2019.

I am writing to assure you that PG&E intends to complete the site-specific decommissioning plan for the facility over the coming years with community input before making any decisions on the disposition of the DCPP lands. As part of this process, PG&E will convene a community advisory group that will give stakeholders an opportunity to help shape the future use of PG&E's land plans prior to finalizing the site-specific plan. In the meantime, PG&E will not make any commitments on land disposition or post-retirement land use, including the Wild Cherry Canyon parcels, until the stakeholder process is completed and PG&E's recommendations have been considered by the CPUC as part of the DCPP site-specific decommissioning plan.

PG&E values and appreciates the active partnership of the County and other local stakeholders, and we look forward to continuing to work with you and the rest of the community in both the pending CPUC proceeding and the important decommissioning work to follow. Please feel free to contact me if I can provide any further assurance regarding these land disposition issues.

Sincerely,

Thomas P. Jones

cc: City of Arroyo Grande  
City of Atascadero  
City Grover Beach  
City of Morro Bay  
City of El Paso de Robles  
City of Pismo Beach  
City of San Luis Obispo  
Friends of Wild Cherry Canyon  
Service List for CPUC Docket No. A.16-08-006 (*via email only*)



## Bridgeworks Co-Working Expansion - Budget Request

*Bridgeworks Co-Working space is THE catalyst for building small business in Atascadero.*

February 12, 2021

### Summary

The Bridgeworks Co-Working space has served Atascadero as a catalyst for small business growth since its inception in 2018. Its mission is clear; provide a space for entrepreneurs and businesses to get started, provide businesses with resources to grow, and launch businesses into the broader business community. Users of this space enjoy 24/7 access, outstanding parking, proximity to a transit hub, and walkability to nearby restaurants, breweries, parks, City Hall, and a movie theater.

This creative space serves as part of Atascadero's entrepreneurial ecosystem for businesses and is in alignment with the intent of the City's Economic Development Fund (SB 1090) as a job creation program. In this way, Bridgeworks Co-Working is helping to support the diversification of our local economy as we reduce reliance on the jobs offered by Diablo Canyon. As we move out of the pandemic and into a business growth stage, the Bridgeworks Co-Working model is poised to serve as a bridge between the new and current business community as we transition to a completely different working environment. Bridgeworks Co-Working is desirable to those looking to work alongside other creative individuals, to those who are looking for business connections, to those who seek mentorship, and to those who are looking for a tremendous value to start a business.

Bridgeworks Co-Working launch and proof of concept was initially funded through \$75,000 in private funding. However, Bridgeworks Co-Working is in need of Economic Development funds to further expand and offer a variety of business support services in a COVID-19 compliant atmosphere.



## Project Description

The Atascadero Chamber of Commerce, through its Bridgeworks Co-Working program, seeks funding from the City of Atascadero to expand its co-working space. The expansion could accommodate up to 15 new private offices and 5 new reserved/unreserved desks which would serve dozens of co-workers.

Currently, the space includes 3 unreserved desks, 5 reserved desks, and 8 private offices. Since opening, the popularity and demand for private offices has increased. As remote workers living in Atascadero, and our surrounding communities look to maintain their remote status and through the Chamber's interaction with clients, the consensus suggests that many would like to move out of their home-based offices and into a 'professional office' environment. Bridgeworks Co-Working occupants receive tremendous value for their monthly fees which range from \$200 to \$550 and includes a working space/office, high-speed internet, utilities, copy-machine, conference room usage, insurance, parking, weekly janitorial service, water, and coffee.

Bridgeworks Co-Working is a proven concept that reflects the kind of forward thinking envisioned for use by the City's 1090 Economic Development Fund.

## Project Goal

The goal of this request is to secure resources to expand Bridgework's co-working space.

## Project Outcomes

- Outcome #1 - Increase the number of co-working desks and offices.
- Outcome #2 – Capture remote workers who are looking for a dedicated office space away from home.
- Outcome #3 – Capture new businesses through rural sourcing.
- Outcome #4 – Offer business start-up resource materials and courses.
- Outcome #5 – Ensure participants feel connected to vital support services with our current partner organizations including SCORE, REACH, MCSC, SBDC, and Eckerd Connects. Our success depends on our ability to assist entrepreneurs



overcome start-up, growth challenges, and other support regardless of where they are on their business journey.

- Outcome #6 – Prepare annual reports to the City regarding use of the funds and occupancy metrics.
- Outcome #7 – Achieve financial sustainability within three years.
- Outcome #8 – Offer a clean and sanitary working space that is in compliant with CDC guidelines.
- Outcome #9 – Provide a referrable support desk for City applicants who need a space to complete/print permits, applications, and/or forms.
- Outcome #10 – Provide space for employees of established companies in other parts of our county to help reduce vehicle miles and so employees can meet up and work together as needed.

### Funding Request

The Atascadero Chamber of Commerce respectfully asks for the City to make a one-time, transformational investment in expansion of North County's first co-working space, particularly at a time when there is so much opportunity to capture the reemerging entrepreneurial spirit due to COVID-19. The following requests summarize 50% of Bridgeworks Co-Working's need for funding. The Chamber intends to secure the remaining 50% from SLO County.

### Tenant Improvements, Enhanced Janitorial, and Lease Expenses –

The majority of the funds will be used for improving up to 4,000-sf of space into private offices, reserved desks, a full kitchen, an outdoor working area/patio, and minor refinements to the existing space. The space was formerly used by the City of Atascadero as their City Hall and remnants of the former space need to be reconfigured and/or removed. In addition to the construction of office spaces, new HVAC, electrical, lighting, IT, safety improvements, ingress/egress are needed. To save costs, existing plumbing connections will be used to install the kitchen. Building signage will be improved to distinguish the Bridgeworks Co-Working space from the Atascadero Chamber of Commerce. Due to COVID-19, enhanced cleaning protocols will be implemented that align with the requirements set forth



by the CDC. This may require daily janitorial service, regular cleaning of surfaces, provision of face masks, plexiglass barriers, sanitation stations, and/or air purifiers.

The Chamber also seeks lease expense assistance for the first nine months of securing the lease. This will allow for the Chamber to construct tenant improvements, market, and fill the available desks/offices.

- Budget
  - Tenant Improvements \$47,727
  - COVID-19 Protocols \$5,000 (assumes 6 months of enhanced services)
  - Lease Expenses \$24,273 (during construction and permitting)

**Furnishing's and Finishing's** – The co-working concept allows for users to “plug-and-play” without the hassle of acquiring, assembling, and installing furnishings. Funds will be used to equip each space with a desk, chair, task light, and basic office supplies. Both an indoor and outdoor common space is proposed to be improved which would serve as a popular amenity for co-workers looking to work or network in an informal seating area. A desk and workstation will be provided on behalf of the City to allow applicants to finalize/print application materials and submit items electronically.

- Budget \$26,250

**Marketing** – To ensure Atascadero businesses and entrepreneurs are aware of this opportunity, marketing funds are dedicated to publish regular advertisements in a variety of print, digital, and social media applications. Partnerships with hotels will be pursued to encourage business travelers to utilize Bridgeworks Co-Working. This budget will sustain marketing program for a period of two years, with annual updates on impressions.

- Budget \$12,500



**Administration** - Funds are requested to assist with oversight and management of the Co-Working space. Management includes responding to space inquiries, preparation and execution of contracts, record keeping, and responding to occupant questions. Further, annual reports will be prepared and presented to the Board of Supervisors regarding allocation use, occupancy metrics, and success stories. Administration funds represent  $\pm 7\%$  of the total funding request.

- Budget \$9,250

### Summary of Funding Request

Item	Budget
Tenant Improvements, Enhanced Janitorial, and Lease Expenses	\$77,000
Furnishings and Finishings	\$26,250
Marketing	\$12,500
Administration (7%)	\$9,250
<b>TOTAL</b>	<b>\$125,000</b>

The County of San Luis Obispo is excited about the potential economic development benefits this expansion could bring which is one of the reasons they have agendized the Chamber's allocation request for April 2021. The Chamber is requesting an allocation of \$125,000 from their 1090 fund as well.

With numerous discussions occurring regarding economic development, we are proud to be offering a tangible solution that will yield visible results in a matter of months. An allocation for the full amount requested will allow us to attract the brightest and most exciting entrepreneurs and businesses and would bring transformational change to Atascadero.



**Atascadero**  
CHAMBER OF COMMERCE

ITEM NUMBER: A-3  
DATE: 03/09/21  
ATTACHMENT: 2

Thank you for your consideration,

Josh Cross

Interim President/CEO

Atascadero Chamber of Commerce



6907 El Camino Real • Atascadero, CA 93422  
805-466-2044 • [info@atascaderochamber.org](mailto:info@atascaderochamber.org)

[www.atascaderochamber.org](http://www.atascaderochamber.org)

Empowering  
**OUR**  
BUSINESS  
COMMUNITY



# ***Atascadero City Council***

## ***Staff Report – Public Works Department***

### **2021 Community Development Block Grant Funding Recommendations**

#### **RECOMMENDATION:**

Council review and approve funding recommendations for the 2021 Community Development Block Grant (CDBG) program as shown below and authorize staff to adjust final award amounts proportionately upon receipt of the final funding amount.

	Draft Recommendations December 2020	Final Funding Staff Recommendations
<b>Public Facilities (PF) and Housing Projects (HP) – Estimated 2021 Allocation \$94,115</b>		
City of Atascadero – <i>Viejo Camino (PF)</i>	\$68,615	\$68,615
Family Care Network, Inc. – <i>Sombrilla Transitional Housing (PF)</i>	25,500	25,500
Peoples' Self Help Housing – <i>Del Rio Ridge (HP)</i>		
The Salvation Army – <i>Permanent Supportive Housing II (HP/PF)</i>		
<b>Public Services – Limited to 15% of 2021 Allocation (\$21,719)</b>		
City of Atascadero – <i>Youth Activity Scholarships</i>	10,700	10,700
El Camino Homeless Organization (ECHO) – <i>Operation of Homeless Shelter</i>	7,199	7,199
Court Appointed Special Advocates (CASA) – <i>Foster Child Intervention to Avert Homelessness</i>	2,500	2,500
5 Cities Homeless Coalition – <i>Subsistence Payments, Homeless Assistance &amp; Security Deposits</i>	1,320	1,320
Peoples' Self Help Housing – <i>Supportive Housing Program</i>		
<b>Administration – Limited to 20% of 2021 Allocation (\$28,958)</b>		
City Program Administration Costs	10,135	10,135
County Program Administration Costs	18,823	18,823
<b>Total 2021 Grant Funds Available</b>	<b>\$144,792</b>	<b>\$144,792</b>



## DISCUSSION:

### Background

The 2021 CDBG award process began in the fall of 2020. Workshops were held throughout the County to solicit public comment on community needs. The County published a request for CDBG proposals and the City received nine applications. Total available funding for the 2021 cycle, based on previous levels, is anticipated to be approximately \$144,792. Final funding amounts are anticipated to be released by the Department of Housing and Community Development (HUD) in spring 2021.

CDBG funds are available for community development activities, which meet at least one of the three national objectives:

1. A benefit to low and moderate-income persons;
2. Aid in the prevention or elimination of blight;
3. Address urgent needs that pose a serious and immediate threat to the health or welfare of the community.

In order for a program to qualify under the low and moderate income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward this objective.

There is a minimum award threshold of \$8,000 per project, meaning the City can only allocate less than \$8,000 for a particular public service activity if another agency in the County commits to programming the remainder to equal a Countywide cumulative total of at least \$8,000. Based upon the draft recommendations, this will apply to the 2021 applications from the 5-Cities Homeless Prevention program and CASA.

The 5-Cities Homeless Prevention program received \$38,685 in draft CDBG recommendations from San Luis Obispo (SLO) County, Paso Robles, Pismo Beach and the City of SLO, in addition to \$19,182 funding recommended for award in Title 29 (SLO County Affordable Housing fund) and Permanent Local Housing Allocation (PLHA State grant) funding from the County.

In addition to Atascadero, CASA received draft funding recommendations from Paso Robles and the City of SLO. Each city recommended the requested \$2,500 award to CASA, for a total of \$7,500, however this falls \$500 short of the required \$8,000 minimum award. SLO County supports the award to CASA and offered the following options to meet the minimum \$8,000 threshold:

- If the final Urban County allocation from HUD is more than estimated, the increase could go to CASA first to meet the \$8,000.
- The County can support this project moving forward and will make sure the project reaches its \$8,000 (meaning the County can contribute some of its public services dollars)

The following criteria should also be used to guide selection of CDBG programs:

1. The proposal is consistent with the national objectives and eligibility criteria of the HUD CDBG program;
2. The proposal is consistent with the Urban County Consolidated Plan;
3. The proposal is consistent with the General Plan and other City codes/ordinances.
4. The proposal will achieve multiple community development objectives;
5. The proposal can be implemented in a timely manner, without significant environmental, policy, procedural, legal, or fiscal obstacles to overcome; and
6. The project is not financially feasible without CDBG funding.

#### Funding Recommendations

On December 8, 2020, after reviewing the applications, Council approved the draft funding recommendations for the 2021 cycle. The recommendations were then published for the required minimum of 30 days during which time a public workshop was held by the County.

#### Conclusion

Once the Council has approved the funding recommendations for the 2021 CDBG program, they will be forwarded to the County for approval by the County Board of Supervisors and inclusion in the countywide Consolidated Plan.

The amount of funding shown for 2021 is an estimate provided by the County based on available information from the U.S. Department of Housing and Urban Development. If the amount awarded to the City is more than the amounts shown, the additional amount will be dispersed equally among the awarded applicants.

### **FISCAL IMPACT:**

Approval of Atascadero's total 2021 CDBG allocation would result in the estimated revenue and expenditure of \$144,792 of CDBG funds.

### **ALTERNATIVES:**

Council may modify the grant recommendations prior to approval. However, awards must meet program requirements; a minimum award of \$8,000 for public service activities on a Countywide cumulative basis, providing a minimum of 70% of funding for benefit to low and moderate-income persons, and no more than 15% of the current year allocation can be awarded in the public service category.

### **ATTACHMENTS:**

None.

A complete packet of submitted applications is available for public review at the City of Atascadero, Public Works Department, 6500 Palma Avenue.



# ***Atascadero City Council***

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## ***Staff Report – Administrative Services***

### **Review of Public Input on D-20 and Other Priorities**

#### **RECOMMENDATION:**

Council receive and file recap presentation on strategic planning session.

#### **REPORT IN BRIEF:**

The passage of Measure D-20 and the resulting much needed funding are truly a benefit; it is also a tremendous responsibility of both the community and the Council to spend these funds wisely. Staff and the public have provided specific input to the Council. Based on the input received, Council has developed four strategic priorities/focus areas. Staff is researching, developing and gathering key information in order for Council to prioritize actions and develop a funding plan.

While, tonight's item is primarily a transparency item intended to recap the steps taken to date for those that have been unable to attend either the study sessions or the Council strategic planning session, Council may provide staff direction on specific information that they would like to see brought back to them as part of the April 27, 2021 action plan agenda item.

#### **DISCUSSION:**

As part of considering a sales tax measure on the November 2020 ballot, the Council clearly expressed the desire to have a very robust public outreach process on the expenditure of the sales tax proceeds, should the measure be passed by the voters. Council understood the importance of transparency and the need to insure that the public would have multiple opportunities to provide input on the City's priorities and the expenditure of both the tax measure funds and other City funds. In September 2020, the Council approved a strong public outreach plan that included bringing back to a regular Council meeting a brief recap of the direction given at the February 19-20 strategic planning session.

#### **Background on Public Engagement and input received on Priorities**

Public engagement is a continuous ongoing dialog between City Council, City staff and the community. The City's budget process is purposely structured to receive public input on where funds are spent. Members of the public can speak at City Council meetings, reach out to Council Members outside of the meeting setting, and talk with City staff.

### Survey

In preparation for the 2021-2023 budget cycle, the Council expanded public outreach even further. The City Council commissioned a Revenue Measure Feasibility Study performed by True North Research, Inc. The survey was administered to a random sample of 787 voters in the City of Atascadero who were likely to participate in the November 2020 election. The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). Administered between January 18 and January 23, 2020, the average interview lasted 16 minutes.

The survey was one more method of gathering feedback from the community, and results were not unexpected. When presented with a list of 10 City services that could be funded by the sales tax measure, the surveyed voters were most interested in using the money to 1) provide fire protection and paramedic services; 2) provide quick responses to 911 emergencies; and 3) repair and maintain public facilities and infrastructure.

### Kickoff

The formal kickoff session for the public outreach meetings was held at the January 12, 2021 Council meeting. Staff is charged with providing services to the community on a day to day basis and has a deep understanding of the existing resource constraints that are barriers to providing services at levels that the community would like to see. In preparation for the January 12 meeting, staff identified the following key categories of existing resource deficiencies:

- Equipment Replacement and Additions
- Vehicles / Apparatus Replacement
- Fire Stations Rehabilitation
- Staffing Levels
- Employee Retention
- Concerns Related to Transients and Homelessness Issues
- Deferred Maintenance
- Unfunded Infrastructure
- Economic Development
- Underfunded Operations
- Operational Efficiencies

At the January 12 meeting, Council viewed a video that would be played at each of the following D-20 study sessions and heard public input on the video and priorities for the expenditure of D-20 funds.

### Study Sessions

Following the January 12 meeting, the City held 9 separate study sessions as follows:

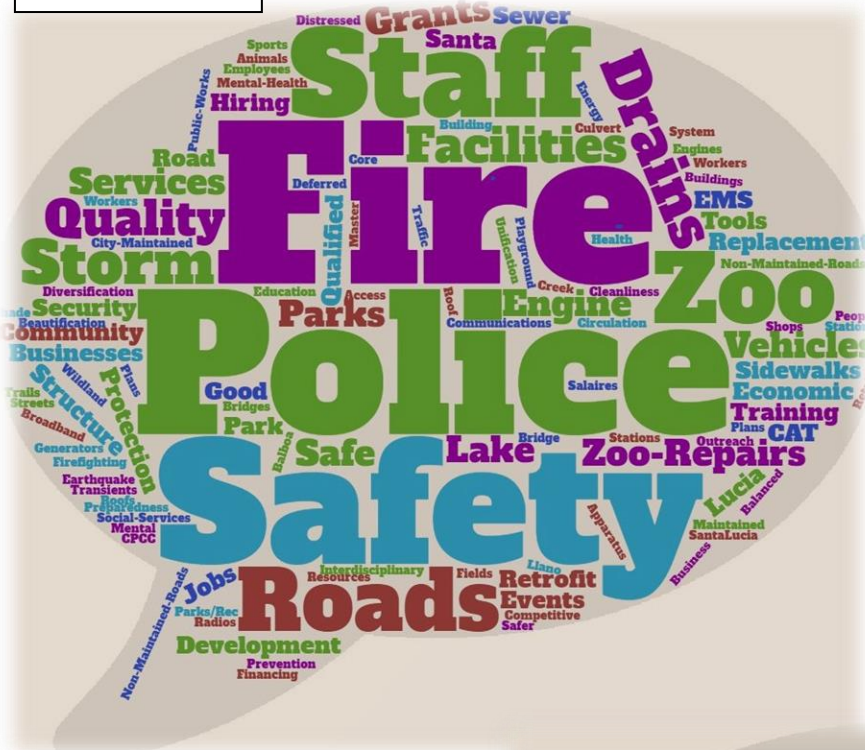
- Study Session 1: Thursday, January 14<sup>th</sup>, 10am
- Study Session 2: Thursday, January 14<sup>th</sup>, 2pm
- Study Session 3: Wednesday, January 20<sup>th</sup>, 4pm
- Study Session 4: Saturday, January 23<sup>rd</sup>, 10am
- Study Session 5: Thursday, January 28<sup>th</sup>, 6pm





[illegible]

## MORE URGENT



## LESS URGENT





[illegible]



On the evening of Friday February 19 and the morning of Saturday February 20, Council, staff and interested members of the public got together to determine the priorities for not only the expenditure of Measure D-20 funds, but also the priorities for the expenditure of all funds.

The session was facilitated by Nicole Lance and Eric Bailey of Extraordinary Balance. Prior to the meeting, the facilitators had interviewed Council Members and executive staff, along with reviewing the input provided at the nine study sessions, in order to understand general priorities and areas of concern. The interviews took into account the public input that each interviewee had received from:

- Public comments
- Discussions with community members
- Emails
- Financial strategies, budgets and audits
- Discussions with staff and general operational knowledge
- Results of the January 2020 statistical survey
- Feedback provided to Council members throughout the election cycle
- January 2021 kickoff session
- Emails received from the public regarding the expenditure of D-20
- **Nine study sessions**

The session began on Friday with some communication exercises and a review of the progress made on the 2019-2021 priorities. Summaries of the input received were pre-populated on a document and the facilitators walked the meeting participants through an exercise to categorize the items of interest into four separate strategic priorities and focus areas. Breakout groups then defined each of the four categories:

### **ECONOMIC AND COMMUNITY VIBRANCY MEANS:**

Creating the environment and services to nurture quality and diverse economic, recreational, and community connections that create prosperity and enrich our genuine, authentic community.

#### Key Focus Areas

- Recreation & Events
- Downtown
- Safe & Hospitable Business/Work Environment
- Business Infrastructure, Technology & Support

### **FISCAL AND INFRASTRUCTURE EFFICIENCY & SUSTAINABILITY MEANS:**

Continuing to be responsible and accountable stewards of our resources now and into the future by efficiently and effectively investing in modern and reliable infrastructure and equipment, and maintaining financial stability regardless of economic conditions.

Staff has the tools, technology and resources they need to do their jobs.

#### Key Focus Areas

- Asset Management/Replacement/Modernization
- Financial Strategies
- Transparency & Accountability

## **ENSURING PUBLIC SAFETY AND PROVIDING EXCEPTIONAL CITY SERVICES MEANS:**

That we have the tools, resources, and professional staffing necessary to create and maintain an environment where our community (residents, businesses, visitors, and staff) feels safe, served, and mutually respected.

### Key Focus Areas

- Staffing
- Unhoused Population
- Community Engagement

## **QUALITY OF LIFE**

We are embracing our warm friendly atmosphere and building on our sense of community by providing attractions, open spaces, outdoor interactions, and a variety of things to do for all. Atascadero: Where everybody knows your name and is willing to lend a hand.

### Key Focus Areas

- Things to do
- Welcoming and inclusive
- Supporting families

### Next Steps

It is now up to City staff to do the work of preparing detailed information for the Council to be able to refine the prioritizations and areas of focus in order to come up with a viable action plan and detailed budget action steps for both the Measure D-20 funds, as well as all City funds.

Staff are currently preparing operating budgets, refining revenue projections, identifying deficiencies, researching solutions for areas of prioritization, developing cost projections, identifying potential metrics, and generally gathering information in preparation for the Department Head Strategic Planning Session scheduled for March 30 – April 1<sup>st</sup>. At that session Extraordinary Balance will work with staff to develop an action plan.

At the April 27 Council Meeting, a draft action plan will be brought before the Council for consideration. At the same meeting, staff will be bring back detailed information for the Council to make more refined funding decisions consistent with the action plan and Council direction provided as part of the strategic planning process.

Through April and May, the Finance Committee will be reviewing various sections of the budget. The Finance Committee meetings where General Funds and D-20 funds are discussed will occur after the Council's April 27 meeting. Each of these Finance Committee meetings will be advertised to encourage public participation and attendance.

At the June 8 City Council meeting, the budgets for Fiscal Years 2021-2022 and 2022-2023 will be presented for adoption. The budgets will incorporate the priorities, actions, service levels and metrics developed through this expanded public process. At the July

13 City Council meeting, the Council will approve the first annual Measure D-20 report. The report will include information on where the Measure D-20 funds are going to be spent, what is to be achieved by the expenditure of these funds and what metrics will be used to determine success. The report will be distributed to all residents and businesses similar to the annual F-14 Roads report.

**FISCAL IMPACT:**

There is no fiscal impact for this item.

**ALTERNATIVES:**

Not Applicable.

**ATTACHMENTS:**

None.