



## CITY OF ATASCADERO CITY COUNCIL AGENDA

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

**Based on the threat of COVID-19 as reflected in Emergency Proclamations issued by the State of California, County of San Luis Obispo and City of Atascadero and consistent with Executive Order N-29-20 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 by appointment during City Hall business hours.



# **CITY OF ATASCADERO CITY COUNCIL**

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## **AGENDA**

**Tuesday, May 25, 2021**

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

<b><u>City Council Closed Session:</u></b>	<b>5:00 P.M.</b>
<b><u>City Council Regular Session:</u></b>	<b>6:00 P.M.</b>

**COUNCIL CLOSED SESSION: 5:00 P.M.**

**1. CLOSED SESSION -- PUBLIC COMMENT**

**2. COUNCIL LEAVES TO BEGIN CLOSED SESSION**

**3. CLOSED SESSION -- CALL TO ORDER**

**a. Public Employee Performance Evaluation (Govt. Code 54957)**

Title: City Manager

**b. Public Employee Performance Evaluation (Govt. Code 54957)**

Title: City Attorney

**c. Conference with Labor Negotiators (Govt. Code Sec. 54957.6)**

Agency designated representatives: Rachelle Rickard, City Manager

Employee Organizations: Atascadero Professional Firefighters, Local 3600;  
Atascadero Police Association; Service Employees International Union,  
Local 620; Mid-Management/Professional Employees; Non-Represented  
Professional and Management Workers and Confidential Employees

**4. CLOSED SESSION – ADJOURNMENT**

**5. COUNCIL RETURNS**

**6. CLOSED SESSION – REPORT**

Announcement(s) of any reportable action(s) taken in Closed Session that occur(s) after the adjournment of Regular Session will be made at the beginning of the next Regular City Council meeting as Closed Session is not recorded or videotaped.

**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 – May 11, 2021**

- Recommendation: Council approve the May 11, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

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

- Fiscal Impact: \$2,405,702.17
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for April 2021. [Administrative Services]

**3. March 2021 Investment Report**

- Fiscal Impact: None.
- Recommendation: Council receive and file the City Treasurer's report for quarter ending March 31, 2021. [City Treasurer]

**4. Traffic Way Sewer Main Replacement Construction Award**

- Fiscal Impact: Award of the contracts to Specialty Construction and Filippin Engineering will result in the expenditure of \$3,038,610 of wastewater funds.
- Recommendations: Council:
  1. Award a construction contract for \$2,740,040 to Specialty Construction, Inc. for the Traffic Way Sewer Main Replacement Project (Project No. C2019W01).

2. Authorize the City Manager to execute a construction contract with Specialty Construction, Inc. for \$2,740,040 for the Traffic Way Sewer Main Replacement Project.
  3. Authorize the City Manager to execute a contract with Filippin Engineering for \$298,570 for construction management and materials testing services for the Traffic Way Sewer Main Replacement Project.
  4. Authorize the Director of Administrative Services to allocate an additional \$1,236,900 in Wastewater Enterprise Fund balance to the Traffic Way Sewer Main Replacement Project.
  5. Authorize the Director of Public Works to file a Notice of Completion with the County Recorder upon satisfactory completion of the Project. [Public Works]
- 5. Appointment of Board Members to the Atascadero Tourism Business Improvement District (ATBID) Board**
- Fiscal Impact: None.
  - Recommendation: Council appoint Corina Ketchum and Tom O'Malley to the ATBID Advisory Board for the term expiring June 30, 2023. [City Manager]
- 6. Atascadero Tourism Business Improvement District (ATBID) Annual Assessment**
- Fiscal Impact: None.
  - Recommendations: Council:
    1. Approve the ATBID Annual Report.
    2. Adopt Draft Resolution declaring intent to levy an annual Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District, and set a public hearing for June 8, 2021. [City Manager]
- 7. Downtown Parking & Business Improvement Area (DPBIA) Assessment**
- Fiscal Impact: None.
  - Recommendation: Council adopt Draft Resolution, declaring intent to levy the annual Downtown Parking and Business Improvement Area assessment, and set a public hearing for June 8, 2021. [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. Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates**

- Fiscal Impact: Approving staff recommendations will generate an estimated \$530,000 in additional revenue from sewer service charges collected in FY21/22.
- Recommendations: Council:
  1. Conduct a public hearing to receive all written and verbal testimony regarding the proposed wastewater (sewer) rates and consider the results of protest proceedings in accordance with Proposition 218.
  2. Adopt one of the following resolutions certifying the protest results:
    - A. For a non-majority protest – Draft Resolution A certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase.

**OR**

- B. For a majority protest – Draft Resolution B certifying that the number of valid written protests were received from property owners representing a majority of the parcels subject to the proposed rate increase.
3. If no majority protest exists, adopt Draft Resolution C approving proposed wastewater rates effective July 1, 2021. [Public Works]

### **2. Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to Add Non-Storefront Cannabis Delivery Services and Security Provisions (CPP20-0011)**

- Fiscal Impact: Staff expects minimal fiscal impact from the adoption of the proposed Title 9 Chapter 17 Cannabis text amendments and full cost recovery for review of commercial Cannabis businesses projects. Additionally, the allowance of the additional use has the potential to increase tax revenue generation for the City.
- Recommendations: Council:
  1. Introduce for first reading, by title only, Draft Ordinance A amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, based on findings.

**OR**

2. Introduce for first reading, by title only, Draft Ordinance B, amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, which includes amendment suggestions discussed by the Planning Commission. [Community Development]

**3. Title 9 Planning and Zoning Text Amendments - Annual Code Update (ZCH21-0004)**

- Fiscal Impact: None.
- Recommendation: Council introduce for first reading, by title only, a Draft Ordinance, amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings. [Community Development]

**C. MANAGEMENT REPORTS: None.**

**D. 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. Regional Economic Action Coalition (REACH)
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

**E. 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

**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.



# **CITY OF ATASCADERO CITY COUNCIL**

## **DRAFT MINUTES**

**Tuesday, May 11, 2021**

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

**City Council Closed Session: 5:00 P.M.**

**City Council Regular Session: 6:00 P.M.**

### **COUNCIL CLOSED SESSION: 5:00 P.M.**

Mayor Moreno called Closed Session to order at 5:00 p.m.

- 1. CLOSED SESSION -- PUBLIC COMMENT – None**
- 2. COUNCIL LEAVES TO BEGIN CLOSED SESSION**
- 3. CLOSED SESSION -- CALL TO ORDER**
  - a. Conference with Labor Negotiators** (Govt. Code Sec. 54957.6)  
Agency designated representatives: Rachelle Rickard, City Manager  
Employee Organizations: Atascadero Professional Firefighters, Local 3600; Atascadero Police Association; Service Employees International Union, Local 620; Mid-Management/Professional Employees; Non-Represented Professional and Management Workers and Confidential Employees
- 4. CLOSED SESSION – RECESS – until after the adjournment of the Regular Session**
- 5. COUNCIL RETURNS**
- 6. CLOSED SESSION – REPORT**

Mayor Moreno noted that more time would be needed to complete the discussion on the Closed Session item and that Council would be recessing Closed Session until after the close of Regular Session.

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

Mayor Moreno called the meeting to order at 6:01 p.m. and Mayor Pro Tem Newsom led the Pledge of Allegiance.

**ROLL CALL:**

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

Absent: None

Others Present: None

Staff Present: **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Deputy Public Works Director Ryan Hayes, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, Public Works Analyst Ryan Betz, and IT Manager Luke Knight

Following Roll Call, Mayor Moreno called for a moment of silence in honor of City of San Luis Obispo Detective Luca Benedetti who was killed in the line of duty on May 10, 2021.

**APPROVAL OF AGENDA:**

**MOTION:** By Council Member Funk seconded by Council Member Bourbeau 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:****1. Presentation – Bike There! May 20-30, 2021 (SLOCOG)**

Catalina Hubbard, SLOCOG, gave a brief PowerPoint presentation on the upcoming Bike There! event.

**A. CONSENT CALENDAR:****1. City Council Draft Action Minutes – April 27, 2021**

- Recommendation: Council approve the April 27, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]

**3. De Anza Estates Assessment Districts**

- Fiscal Impact: Annual assessments for 2021/2022 will total \$30,562 for road/drainage system maintenance and \$15,875 for landscape and lighting

maintenance. These amounts will be assessed to the owners of parcels in De Anza Estates. The City General Fund will contribute \$1,400 for the fiscal year 2021/2022 for half of the maintenance costs of the trails and open space.

- **Recommendations: Council:**

1. Adopt Draft Resolution A initiating proceedings for the levy and collection of annual assessments for Atascadero Street and Storm Drain Maintenance District No. 03 (De Anza Estates) for fiscal year 2021/2022.
2. Adopt Draft Resolution B accepting and preliminarily approving the Engineer's Annual Levy Report regarding the Atascadero Street and Storm Drain Maintenance District No. 03 (De Anza Estates).
3. Adopt Draft Resolution C declaring the City's intention to levy and collect annual assessments within Atascadero Street and Storm Drain Maintenance District No. 03 (De Anza Estates) in fiscal year 2021/2022, and to appoint a time and place for the public hearing on these matters.
4. Adopt Draft Resolution D initiating proceedings for annual levy of assessments for the Atascadero Landscaping and Lighting Maintenance District No. 03 (De Anza Estates) for fiscal year 2021/2022 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code.
5. Adopt Draft Resolution E for preliminary approval of the Annual Engineer's Levy Report for the Atascadero Landscaping and Lighting Maintenance District No. 03 (De Anza Estates) for fiscal year 2021/2022.
6. Adopt Draft Resolution F declaring the City's intention to levy and collect assessments for the Atascadero Landscaping and Lighting Maintenance District No. 03 (De Anza Estates) for fiscal year 2021/2022. [Administrative Services]

#### **4. Las Lomas (Woodridge) Assessment Districts**

- **Fiscal Impact:** Annual assessments for 2020/2021 will total \$94,322 for road/drainage system maintenance and \$66,976 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Las Lomas (Woodridge). The City General Fund will contribute \$2,600 for the fiscal year 2021/2022 for 25% of the maintenance costs of the trails and open space.

- **Recommendations: Council:**

1. Adopt Draft Resolution A initiating proceedings for the levy and collection of annual assessments for Atascadero Street and Storm Drain Maintenance District No. 02 (Woodridge) for fiscal year 2021/2022.
2. Adopt Draft Resolution B accepting and preliminarily approving the Engineer's Annual Levy Report regarding the Atascadero Street and Storm Drain Maintenance District No. 02 (Woodridge).
3. Adopt Draft Resolution C declaring the City's intention to levy and collect annual assessments within Atascadero Street and Storm Drain Maintenance District No. 02 (Woodridge) in fiscal year 2021/2022, and to appoint a time and place for the public hearing on these matters.
4. Adopt Draft Resolution D initiating proceedings for annual levy of assessments for the Atascadero Landscaping and Lighting Maintenance District No. 02 (Woodridge) for fiscal year 2021/2022 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code.
5. Adopt Draft Resolution E for preliminary approval of the Annual Engineer's Levy Report for the Atascadero Landscaping and Lighting Maintenance District No. 02 (Woodridge) for fiscal year 2021/2022.

6. Adopt Draft Resolution F declaring the City's intention to levy and collect assessments for the Atascadero Landscaping and Lighting Maintenance District No. 02 (Woodridge) for fiscal year 2021/2022. [Administrative Services]
5. **Authorizing Temporary Road Closures for 2021 Hot El Camino Cruise Nite and Colony Days Parade Route**
- Fiscal Impact: None.
  - Recommendations: Council:
    1. Adopt Draft Resolution A authorizing temporary road closures and restrictions on August 20, 2021 for the Hot El Camino Cruise Nite.
    2. Adopt Draft Resolution B authorizing temporary road closures and restrictions on October 2, 2021 for the Colony Days Parade Route. [Public Works]
6. **Annexation of the 10850 El Camino Real Subdivision into Community Facilities District 2005-1, Annexation No. 23 (10850 El Camino Real: Tract 3099)**
- Fiscal Impact: Assessments for this annexation are estimated to be \$42,400 annually, adjusted each year for inflation. Deed restricted affordable units are exempt from the special tax.
  - Recommendation: Council adopt Draft Resolution, declaring its intention to annex territory, into Community Facilities District 2005-1 (Public Services) as Annexation No. 23 and to authorize the levy of special taxes therein (10850 El Camino Real: Tract 3099). [Community Development]
7. **Approve Parcel Map AT 18-0116 (8559 and 8565 Santa Rosa Road)**
- Fiscal Impact: None.
  - Recommendations: Council:
    1. Approve Parcel Map AT 18-0116.
    2. Reject, without prejudice to future acceptance, a twenty-foot and a thirty-foot wide offer of dedication for public road purposes on Santa Rosa Court.
    3. Accept, on behalf of the public, the offer of dedication for a six-foot Public Utility Easement, a thirty-foot Public Sewer Easement and Offer of Dedication for Vehicular Access Rights. [Public Works]

Council Member Funk removed Item #A-2 for separate discussion and vote.

**MOTION: By Council Member Funk and seconded by Council Member Bourbeau to approve Consent Calendar Items #A-1 and #A-3 through #A-7 (#A-3: Resolution Nos. 2021-016 through 2021-021) (#A-4: Resolution Nos. 2021-022 through 2021-027) (#A-5: Resolution Nos. 2021-028 and 2021-029)(#A-6: Resolution No. 2021-030).**  
***Motion passed 5:0 by a roll-call vote.***

2. **Apple Valley Assessment Districts**

- Fiscal Impact: Annual assessments for 2021/2022 will total \$38,500 for road/drainage system maintenance and \$63,000 for landscape and lighting maintenance. These amounts will be assessed to the owners of parcels in Apple Valley. Contributions of \$11,000 for half the cost of the park will be

made from the City's General Fund, and an equal revenue source will be recognized from contributions made by the developer.

▪ Recommendations: Council:

1. Adopt Draft Resolution A initiating proceedings for the levy and collection of annual assessments for Atascadero Street and Storm Drain Maintenance District No. 01 (Apple Valley) for fiscal year 2021/2022.
2. Adopt Draft Resolution B accepting and preliminarily approving the Engineer's Annual Levy Report regarding the Atascadero Street and Storm Drain Maintenance District No. 01 (Apple Valley).
3. Adopt Draft Resolution C declaring the City's intention to levy and collect annual assessments within Atascadero Street and Storm Drain Maintenance District No. 01 (Apple Valley) in fiscal year 2021/2022, and to appoint a time and place for the public hearing on these matters.
4. Adopt Draft Resolution D initiating proceedings for annual levy of assessments for the Atascadero Landscaping and Lighting Maintenance District No. 01 (Apple Valley) for fiscal year 2021/2022 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code.
5. Adopt Draft Resolution E for preliminary approval of the Annual Engineer's Levy Report for the Atascadero Landscaping and Lighting Maintenance District No. 01 (Apple Valley) for fiscal year 2021/2022.
6. Adopt Draft Resolution F declaring the City's intention to levy and collect assessments for the Atascadero Landscaping and Lighting Maintenance District No. 01 (Apple Valley) for fiscal year 2021/2022. [Administrative Services]

City Manager Rachelle Rickard answered questions of Council Member Funk.

**PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: None.

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

**MOTION: By Council Member Funk and seconded by Council Member Bourbeau to approve Consent Calendar Item #A-2. (Resolution Nos. 2021-010 through 2021-015).**

***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 by telephone or through the webinar during Community Forum: None

Emails from the following citizens were read into the record by Deputy City Manager/City Clerk Christensen: Mitch Paskin



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

## **B. PUBLIC HEARINGS:**

### **1. Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to add non-storefront Cannabis delivery services and security provisions (CPP20-0011)**

- Fiscal Impact: None.
- Recommendation: Council continue the public hearing to the May 25, 2021 City Council Meeting to allow additional time for drafting and review of proposed amendments to Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations). [Community Development]

Community Development Director Phil Dunsmore briefed the City Council on the request to continue the Public Hearing.

## **PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: None.

***Mayor Moreno did not close the Public Comment period.***

**MOTION: By Mayor Moreno and seconded by Council Member Bourbeau to continue the public hearing to the May 25, 2021 City Council Meeting to allow additional time for drafting and review of proposed amendments to Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations).  
*Motion passed 5:0 by a roll-call vote.***

### **2. Weed Abatement – Hearing of Objections**

- Fiscal Impact: None. Costs of the weed abatement program are recovered through the assessments charged to non-compliant parcels that must be abated by the City Contractor. Those property owners who comply with the Municipal Code are not assessed or charged.
- Recommendations: Council:
  1. Hear all objections to the proposed removal of vegetative growth and/or refuse and allow or overrule any objections.
  2. Authorize the Fire Chief to proceed and perform the work of abatement. [Fire Department]

Fire Chief Bryson gave the staff report and answered questions from the Council.

## **PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: None.

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

**MOTION: By Council Member Funk and seconded by Mayor Pro Tem Newsom to:**

- 1. Hear all objections to the proposed removal of vegetative growth and/or refuse and allow or overrule any objections.**
- 2. Authorize the Fire Chief to proceed and perform the work of abatement.**

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

**C. MANAGEMENT REPORTS:**

**1. Downtown Street Tree Renewal Program – Phase 2**

- Fiscal Impact: None at this time. Staff estimates that it would cost an additional \$10,000 to \$15,000 to subsidize FPP costs for commissioned trees for existing tree wells, however, no appropriation is currently being requested and staff will evaluate available funding as we move forward and look for potential funding opportunities.
- Recommendations: Council:
  1. Receive an update on Phase 1 of the Downtown Street Tree Renewal Program.
  2. Direct staff to initiate Phase 2 of the Downtown Street Tree Renewal Program and approve the Downtown Street Tree Guidelines.[Public Works]

Following introduction by Deputy Public Works Director Hayes, Public Works Analyst Betz gave the staff report and answered questions from the Council. Public Works Analyst Betz noted that an amended Attachment 1 (page 259 of the Agenda Packet) to the Downtown Street Tree Guidelines was being added.

**PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: Geoff Auslen

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

**MOTION: By Council Member Funk and seconded by Mayor Pro Tem Newsom to direct staff to initiate Phase 2 of the Downtown Street Tree Renewal Program and approve the Downtown Street Tree Guidelines with the amended Attachment 1 “Street Tree Replacement Outside of the Downtown Area”.**

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

**D. 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. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Newsom

1. Design Review Committee

Council Member Bourbeau

1. City of Atascadero Finance Committee
2. Integrated Waste Management Authority (IWMA)

Council Member Funk

1. Design Review Committee
2. Homeless Services Oversight Council

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

1. City Council

Council Member Funk reported filing an appeal on the Dove Creek Mini Storage project, along with the appeal filed by Mayor Pro Tem Newsom. She noted that her appeal requests additional information from the applicant with regards to the project.

5. City Manager

Deputy City Manager Christensen discussed and requested Council direction whether or not to submit position letters to the Legislature on the following Bills:

1. SB 6 (Caballero) Local Planning. Housing in Commercial Zones. – Oppose
2. SB 9 (Atkins) Housing Development Approvals. – Oppose
3. SB 619 (Laird) Organic Waste. Reduction Regulations. – Support in Concept

**There was Council consensus to direct staff to draft  
position letters on the Senate Bills for  
Mayor Moreno's signature as detailed above.**

**ADJOURN**

Mayor Moreno adjourned the Regular Meeting at 7:36 pm; Council returned to the previously recessed Closed Session Meeting.

**CLOSED SESSION:**

Closed Session was reconvened at 7:37 pm and adjourned at 8:30 pm; no reportable action.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
Deputy City Manager / City Clerk

**APPROVED:**



# Atascadero City Council

## Staff Report - Administrative Services Department

### April 2021 Accounts Payable and Payroll

#### RECOMMENDATION:

Council approve certified City accounts payable, payroll and payroll vendor checks for April 2021.

#### DISCUSSION:

Attached for City Council review and approval are the following:

#### Payroll

Dated	4/1/21	Checks # 35106 - 35115	\$ 11,961.74
		Direct Deposits	273,608.42
Dated	4/15/21	Checks # 35116 - 35123	10,274.82
		Direct Deposits	283,576.17
Dated	4/29/21	Checks # 35124 - 35133	10,809.22
		Direct Deposits	283,237.45

#### Accounts Payable

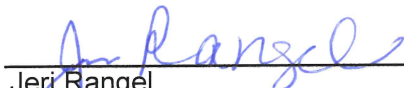
Dated 4/1/21-4/30/21	Checks # 167190 - 167438 & EFTs 3994 - 4029	1,532,234.35
	<b>TOTAL AMOUNT</b>	<b>\$ 2,405,702.17</b>

#### FISCAL IMPACT:

Total expenditures for all funds is \$ 2,405,702.17

#### CERTIFICATION:

The undersigned certifies that the attached demands have been released for payment and that funds are available for these demands.

  
Jeri Rangel  
Director of Administrative Services

#### ATTACHMENT:

April 2021 Eden Warrant Register in the amount of \$ 1,532,234.35

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
DATE: 05/25/21  
ATTACHMENT: 1

Check Number	Check Date	Vendor	Description	Amount
3994	04/01/2021	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	8,061.21
167190	04/01/2021	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
167191	04/01/2021	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,787.50
167192	04/01/2021	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,027.05
167193	04/01/2021	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,317.30
167194	04/01/2021	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	252.03
167195	04/01/2021	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,685.71
167196	04/01/2021	SEIU LOCAL 620	Payroll Vendor Payment	808.24
167197	04/01/2021	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
167198	04/01/2021	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	5,006.16
167199	04/01/2021	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	321.00
3995	04/02/2021	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	467.07
3996	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,087.14
3997	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	28,717.39
3998	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,923.56
3999	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,703.70
4000	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,999.86
4001	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	7,092.02
4002	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	8,090.02
4003	04/02/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	13,383.27
4004	04/06/2021	RABOBANK, N.A.	Payroll Vendor Payment	46,709.35
4005	04/06/2021	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	13,809.24
4006	04/06/2021	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,507.37
167200	04/07/2021	ANTHEM BLUE CROSS HEALTH	Payroll Vendor Payment	190,579.96
167201	04/07/2021	LINCOLN NATIONAL LIFE INS CO	Payroll Vendor Payment	1,840.43
167202	04/07/2021	MEDICAL EYE SERVICES	Payroll Vendor Payment	1,708.17
167203	04/07/2021	PREFERRED BENEFITS INSURANCE	Payroll Vendor Payment	8,596.30
167204	04/09/2021	13 STARS MEDIA	Accounts Payable Check	249.00
167205	04/09/2021	ADAMSKI,MOROSKI,MADDEN,	Accounts Payable Check	1,558.50
167206	04/09/2021	AGM CALIFORNIA, INC.	Accounts Payable Check	1,100.00
167207	04/09/2021	AGP VIDEO, INC.	Accounts Payable Check	2,512.50
167208	04/09/2021	AIRFLOW FILTER SERVICE, INC.	Accounts Payable Check	642.10
167209	04/09/2021	AK & COMPANY	Accounts Payable Check	1,750.00
167210	04/09/2021	ALPHA ELECTRIC SERVICE	Accounts Payable Check	1,633.19
167211	04/09/2021	ALTHOUSE & MEADE, INC.	Accounts Payable Check	258.75
167212	04/09/2021	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	918.44
167213	04/09/2021	ANTECH DIAGNOSTICS	Accounts Payable Check	100.68
167214	04/09/2021	AT&T	Accounts Payable Check	418.48
167215	04/09/2021	AT&T	Accounts Payable Check	706.11

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
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Check Number	Check Date	Vendor	Description	Amount
167216	04/09/2021	ATASCADERO HAY & FEED	Accounts Payable Check	2,026.18
167218	04/09/2021	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	9,120.40
167219	04/09/2021	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	4,458.80
167220	04/09/2021	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	3,000.00
167221	04/09/2021	AVILA TRAFFIC SAFETY	Accounts Payable Check	292.00
167222	04/09/2021	TERRIE BANISH	Accounts Payable Check	132.70
167223	04/09/2021	BASSETT'S CRICKET RANCH, INC.	Accounts Payable Check	440.71
167224	04/09/2021	BATTERY SYSTEMS, INC.	Accounts Payable Check	659.92
167225	04/09/2021	BELL'S PLUMBING REPAIR, INC.	Accounts Payable Check	647.00
167226	04/09/2021	KEITH R. BERGHER	Accounts Payable Check	157.50
167227	04/09/2021	BERRY MAN, INC.	Accounts Payable Check	1,343.00
167228	04/09/2021	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	535.00
167229	04/09/2021	BUBBLE FUN	Accounts Payable Check	250.00
167230	04/09/2021	BUREAU VERITAS NORTH AMERICA	Accounts Payable Check	9,824.41
167231	04/09/2021	BURT INDUSTRIAL SUPPLY	Accounts Payable Check	206.34
167232	04/09/2021	CA BUILDING STANDARDS COMM.	Accounts Payable Check	200.70
167233	04/09/2021	CARQUEST OF ATASCADERO	Accounts Payable Check	332.10
167234	04/09/2021	CHARLES PRODUCTS, INC.	Accounts Payable Check	379.81
167236	04/09/2021	CHARTER COMMUNICATIONS	Accounts Payable Check	6,961.26
167237	04/09/2021	CHROMATIC COLLECTIVE	Accounts Payable Check	2,000.00
167238	04/09/2021	TIMOTHY CLEAVER	Accounts Payable Check	200.00
167239	04/09/2021	CLEVER CONCEPTS, INC.	Accounts Payable Check	47.95
167240	04/09/2021	COASTAL COPY, INC.	Accounts Payable Check	328.59
167241	04/09/2021	COUNTY OF SAN LUIS OBISPO	Accounts Payable Check	162.00
167242	04/09/2021	CREWSENSE, LLC	Accounts Payable Check	93.36
167243	04/09/2021	CRYSTAL CREAMERY, INC.	Accounts Payable Check	503.21
167244	04/09/2021	CRYSTAL SPRINGS WATER	Accounts Payable Check	20.00
167245	04/09/2021	CUESTA POLYGRAPH	Accounts Payable Check	2,050.00
167246	04/09/2021	D. B. CONSULTING	Accounts Payable Check	3,850.00
167247	04/09/2021	NICHOLAS DEBAR	Accounts Payable Check	300.00
167248	04/09/2021	DELTA LIQUID ENERGY	Accounts Payable Check	982.84
167249	04/09/2021	DEPARTMENT OF CONSERVATION	Accounts Payable Check	644.95
167250	04/09/2021	DEPARTMENT OF WATER RESOURCES	Accounts Payable Check	3,471.00
167251	04/09/2021	DIVISION OF STATE ARCHITECT	Accounts Payable Check	494.40
167252	04/09/2021	PHILIP DUNSMORE	Accounts Payable Check	300.00
167253	04/09/2021	EIKHOF DESIGN GROUP, INC.	Accounts Payable Check	8,240.00
167254	04/09/2021	EL CAMINO VETERINARY HOSP	Accounts Payable Check	300.40
167255	04/09/2021	ELECTRICRAFT, INC.	Accounts Payable Check	4,524.81
167256	04/09/2021	FASTENAL COMPANY	Accounts Payable Check	42.67

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

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Check Number	Check Date	Vendor	Description	Amount
167257	04/09/2021	FERGUSON ENTERPRISES, LLC	Accounts Payable Check	52.53
167258	04/09/2021	FERRAVANTI GRADING & PAVING	Accounts Payable Check	250,885.75
167259	04/09/2021	FGL ENVIRONMENTAL	Accounts Payable Check	317.00
167260	04/09/2021	GAS COMPANY	Accounts Payable Check	1,254.08
167261	04/09/2021	GIERLICH-MITCHELL, INC.	Accounts Payable Check	1,134.81
167262	04/09/2021	GRANICUS	Accounts Payable Check	5,153.00
167263	04/09/2021	HANSEN BRO'S CUSTOM FARMING	Accounts Payable Check	10,780.00
167264	04/09/2021	HART IMPRESSIONS PRINTING	Accounts Payable Check	264.87
167265	04/09/2021	REBECCA HEREDIA	Accounts Payable Check	107.25
167266	04/09/2021	HIGH COUNTRY OUTDOOR, INC.	Accounts Payable Check	800.00
167267	04/09/2021	HINDERLITER, DE LLAMAS	Accounts Payable Check	300.00
167268	04/09/2021	HOME DEPOT CREDIT SERVICES	Accounts Payable Check	693.09
167269	04/09/2021	IRON MOUNTAIN RECORDS MGMNT	Accounts Payable Check	122.53
167270	04/09/2021	JK'S UNLIMITED, INC.	Accounts Payable Check	179.64
167271	04/09/2021	JOE A. GONSALVES & SON	Accounts Payable Check	3,000.00
167272	04/09/2021	LANTERN PRESS	Accounts Payable Check	251.70
167273	04/09/2021	LAYNE LABORATORIES, INC.	Accounts Payable Check	1,853.30
167274	04/09/2021	LEE WILSON ELECTRIC CO. INC	Accounts Payable Check	1,723.00
167275	04/09/2021	LIFE ASSIST, INC.	Accounts Payable Check	2,756.94
167276	04/09/2021	LIFTOFF, LLC	Accounts Payable Check	17,000.00
167277	04/09/2021	MADRONE LANDSCAPES, INC.	Accounts Payable Check	387.00
167278	04/09/2021	MICHAEL K. NUNLEY & ASSC, INC.	Accounts Payable Check	589.65
167279	04/09/2021	MINER'S ACE HARDWARE	Accounts Payable Check	760.39
167280	04/09/2021	MISSION UNIFORM SERVICE	Accounts Payable Check	221.78
167281	04/09/2021	MNS ENGINEERS, INC.	Accounts Payable Check	12,604.80
167282	04/09/2021	MOSS, LEVY, & HARTZHEIM LLP	Accounts Payable Check	3,500.00
167283	04/09/2021	MV TRANSPORTATION, INC.	Accounts Payable Check	7,791.05
167284	04/09/2021	MWI ANIMAL HEALTH	Accounts Payable Check	38.58
167285	04/09/2021	BRUCE WAYNE NAVAS	Accounts Payable Check	1,500.00
167286	04/09/2021	NEW TIMES	Accounts Payable Check	1,332.00
167287	04/09/2021	OFFICE DEPOT INC.	Accounts Payable Check	137.97
167288	04/09/2021	O'REILLY AUTOMOTIVE, INC.	Accounts Payable Check	47.70
167290	04/09/2021	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	27,380.02
167291	04/09/2021	PEAKWIFI, LLC	Accounts Payable Check	650.00
167292	04/09/2021	PERRY'S PARCEL & GIFT	Accounts Payable Check	87.18
167293	04/09/2021	PRAXAIR DISTRIBUTION, INC.	Accounts Payable Check	186.71
167294	04/09/2021	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	1,005.06
167295	04/09/2021	PROSOUND BUSINESS MEDIA, INC.	Accounts Payable Check	99.00
167296	04/09/2021	PRP COMPANIES	Accounts Payable Check	303.16

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
DATE: 05/25/21  
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Check Number	Check Date	Vendor	Description	Amount
167297	04/09/2021	QUINCY ENGINEERING, INC.	Accounts Payable Check	33,661.57
167298	04/09/2021	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	7,414.50
167299	04/09/2021	JERI RANGEL	Accounts Payable Check	300.00
167300	04/09/2021	READYREFRESH BY NESTLE	Accounts Payable Check	229.08
167301	04/09/2021	RACHELLE RICKARD	Accounts Payable Check	500.00
167302	04/09/2021	SCHINDLER ELEVATOR CORP	Accounts Payable Check	443.88
167303	04/09/2021	SCOTT O'BRIEN FIRE & SAFETY CO	Accounts Payable Check	558.88
167304	04/09/2021	SERVICE SYSTEMS ASSC, INC.	Accounts Payable Check	2,500.00
167305	04/09/2021	SLO CO AIR POLLUTION CTRL DIST	Accounts Payable Check	406.70
167306	04/09/2021	SPEAKWRITE, LLC.	Accounts Payable Check	600.72
167307	04/09/2021	STANLEY CONVERGENT SECURITY	Accounts Payable Check	366.09
167308	04/09/2021	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	2,661.00
167309	04/09/2021	TERRA VERDE ENVIRONMENTAL CONS	Accounts Payable Check	380.04
167312	04/09/2021	U.S. BANK	Accounts Payable Check	14,129.31
167313	04/09/2021	UNIVAR SOLUTIONS USA, INC.	Accounts Payable Check	7,063.36
167314	04/09/2021	VERDIN	Accounts Payable Check	2,865.19
167315	04/09/2021	VERIZON WIRELESS	Accounts Payable Check	2,527.74
167316	04/09/2021	WALLACE GROUP	Accounts Payable Check	2,730.84
167317	04/09/2021	TED E. WATERHOUSE	Accounts Payable Check	225.00
167318	04/09/2021	WEX BANK - 76 UNIVERSL	Accounts Payable Check	8,954.62
167319	04/09/2021	WEX BANK - WEX FLEET UNIVERSAL	Accounts Payable Check	7,501.16
167320	04/09/2021	WILKINS ACTION GRAPHICS	Accounts Payable Check	432.03
167321	04/09/2021	WISHPETS CO.	Accounts Payable Check	398.81
4007	04/15/2021	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	8,299.21
167322	04/15/2021	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
167323	04/15/2021	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,787.50
167324	04/15/2021	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,027.05
167325	04/15/2021	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,327.53
167326	04/15/2021	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	249.78
167327	04/15/2021	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	2,626.87
167328	04/15/2021	SEIU LOCAL 620	Payroll Vendor Payment	816.42
167329	04/15/2021	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
167330	04/15/2021	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	4,853.47
167331	04/15/2021	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	321.00
4008	04/16/2021	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	467.07
4009	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,363.12
4010	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	30,300.64
4011	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,035.06
4012	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,719.22



**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
DATE: 05/25/21  
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Check Number	Check Date	Vendor	Description	Amount
4013	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,999.86
4014	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	7,636.41
4015	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	8,575.52
4016	04/16/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	13,554.21
4017	04/20/2021	RABOBANK, N.A.	Payroll Vendor Payment	50,084.12
4018	04/20/2021	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	15,017.87
4019	04/20/2021	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,631.73
167332	04/23/2021	13 STARS MEDIA	Accounts Payable Check	1,399.00
167333	04/23/2021	AIRGAS USA, LLC	Accounts Payable Check	379.62
167334	04/23/2021	ALLSTAR FIRE EQUIPMENT, INC.	Accounts Payable Check	1,142.19
167335	04/23/2021	ALTHOUSE & MEADE, INC.	Accounts Payable Check	1,367.50
167336	04/23/2021	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	999.03
167338	04/23/2021	AT&T	Accounts Payable Check	1,160.22
167339	04/23/2021	AT&T	Accounts Payable Check	1,022.75
167340	04/23/2021	ATASCADERO HAY & FEED	Accounts Payable Check	748.80
167341	04/23/2021	AURORA WORLD, INC.	Accounts Payable Check	773.39
167342	04/23/2021	AVILA TRAFFIC SAFETY	Accounts Payable Check	1,322.68
167343	04/23/2021	BASSETT'S CRICKET RANCH, INC.	Accounts Payable Check	131.03
167344	04/23/2021	BATTERY SYSTEMS, INC.	Accounts Payable Check	459.21
167345	04/23/2021	BERRY MAN, INC.	Accounts Payable Check	1,174.60
167346	04/23/2021	BOB'S CRANE SERVICE	Accounts Payable Check	2,500.00
167347	04/23/2021	CA DEPT OF TAX AND FEE ADMIN.	Accounts Payable Check	3,625.00
167348	04/23/2021	CARQUEST OF ATASCADERO	Accounts Payable Check	41.11
167349	04/23/2021	CHARTER COMMUNICATIONS	Accounts Payable Check	272.38
167350	04/23/2021	CLEVER CONCEPTS, INC.	Accounts Payable Check	47.95
167351	04/23/2021	CO OF SAN LUIS OBISPO SART PRG	Accounts Payable Check	1,781.00
167352	04/23/2021	COASTAL REPROGRAPHIC SERVICES	Accounts Payable Check	123.12
167353	04/23/2021	CREWSENSE, LLC	Accounts Payable Check	99.99
167354	04/23/2021	CULLIGAN/CENTRAL COAST WTR TRT	Accounts Payable Check	70.00
167355	04/23/2021	DELTA LIQUID ENERGY	Accounts Payable Check	1,026.89
167356	04/23/2021	DEPARTMENT OF JUSTICE	Accounts Payable Check	289.00
167357	04/23/2021	DEPENDABLE FIRE PROTECTION	Accounts Payable Check	831.97
167358	04/23/2021	EARTH SYSTEMS PACIFIC	Accounts Payable Check	7,644.50
167359	04/23/2021	EMI SPORTWEAR	Accounts Payable Check	302.70
167360	04/23/2021	FAILSAFE TESTING, LLC	Accounts Payable Check	1,100.00
167361	04/23/2021	FARM SUPPLY COMPANY	Accounts Payable Check	128.64
167362	04/23/2021	FENCE FACTORY ATASCADERO	Accounts Payable Check	127.17
167363	04/23/2021	FGL ENVIRONMENTAL	Accounts Payable Check	1,162.00
167364	04/23/2021	FIVE CITIES FIRE AUTHORITY	Accounts Payable Check	260.00

**City of Atascadero**  
Disbursement Listing  
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ITEM NUMBER: A-2  
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Check Number	Check Date	Vendor	Description	Amount
167365	04/23/2021	FRIENDS OF ROSAMOND GIFFORD	Accounts Payable Check	942.91
167366	04/23/2021	GALLS, LLC	Accounts Payable Check	77.22
167367	04/23/2021	GAS COMPANY	Accounts Payable Check	882.39
167368	04/23/2021	HAAKER EQUIPMENT COMPANY INC.	Accounts Payable Check	122.64
167369	04/23/2021	HAMNER, JEWELL & ASSOCIATES	Accounts Payable Check	1,077.50
167370	04/23/2021	HART IMPRESSIONS PRINTING	Accounts Payable Check	71.78
167371	04/23/2021	JIFFY LUBE	Accounts Payable Check	96.82
167372	04/23/2021	JK'S UNLIMITED, INC.	Accounts Payable Check	110.00
167373	04/23/2021	KPRL 1230 AM	Accounts Payable Check	320.00
167374	04/23/2021	KRITZ EXCAVATING & TRUCKNG INC	Accounts Payable Check	575.94
167375	04/23/2021	L.N. CURTIS & SONS	Accounts Payable Check	1,820.68
167376	04/23/2021	LAUTZENHISER'S STATIONARY	Accounts Payable Check	600.42
167377	04/23/2021	LIFE ASSIST, INC.	Accounts Payable Check	3,447.16
167378	04/23/2021	ROGER D. & LORNA M. LOVEGREN	Accounts Payable Check	55.96
167379	04/23/2021	MATTHEW MADRIGAL	Accounts Payable Check	1,364.00
167380	04/23/2021	MAILSTREAM, INC.	Accounts Payable Check	3,940.99
167381	04/23/2021	ANNETTE MANIER	Accounts Payable Check	18.48
167382	04/23/2021	MARBORG INDUSTRIES	Accounts Payable Check	62.28
167383	04/23/2021	MICHAEL'S WINDOW CLEANING	Accounts Payable Check	3,225.00
167384	04/23/2021	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	476.91
167385	04/23/2021	MIG	Accounts Payable Check	1,703.75
167386	04/23/2021	MINER'S ACE HARDWARE	Accounts Payable Check	467.36
167387	04/23/2021	MISSION UNIFORM SERVICE	Accounts Payable Check	260.38
167388	04/23/2021	JULIAN A. MORA	Accounts Payable Check	3,085.00
167389	04/23/2021	MULLAHEY CDJR	Accounts Payable Check	350.83
167390	04/23/2021	NORTH COUNTY PLUMBING & DRAIN	Accounts Payable Check	1,620.00
167391	04/23/2021	OFFICE DEPOT INC.	Accounts Payable Check	4.21
167392	04/23/2021	PACIFIC CNTRL COAST HLTH CTRS	Accounts Payable Check	1,905.00
167393	04/23/2021	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	21,400.72
167394	04/23/2021	PASO ROBLES SAFE & LOCK, INC.	Accounts Payable Check	170.00
167395	04/23/2021	PAVEMENT ENGINEERING, INC.	Accounts Payable Check	507.50
167396	04/23/2021	PERRY'S ELECTRIC MOTORS & CTRL	Accounts Payable Check	12,093.97
167397	04/23/2021	PERRY'S PARCEL & GIFT	Accounts Payable Check	62.81
167398	04/23/2021	JULIA POSMOGA	Accounts Payable Check	112.04
167399	04/23/2021	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	1,094.55
167400	04/23/2021	PUBLIC SAFETY TRAINING CONSULT	Accounts Payable Check	330.00
167401	04/23/2021	QUALITY CODE PUBLISHING	Accounts Payable Check	1,637.25
167402	04/23/2021	MADISON QUIRING	Accounts Payable Check	50.00
167403	04/23/2021	READYREFRESH BY NESTLE	Accounts Payable Check	422.29

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
DATE: 05/25/21  
ATTACHMENT: 1

Check Number	Check Date	Vendor	Description	Amount
167404	04/23/2021	RICK ENGINEERING COMPANY	Accounts Payable Check	26,263.88
167405	04/23/2021	ROB REYNOLDS CONSTRUCTION, INC	Accounts Payable Check	61,533.97
167406	04/23/2021	MARK J. RUSSO	Accounts Payable Check	200.00
167407	04/23/2021	SAFARI PROGRAMS, INC.	Accounts Payable Check	471.12
167408	04/23/2021	SAN LUIS POWERHOUSE, INC.	Accounts Payable Check	1,474.11
167409	04/23/2021	SANTA MARIA TIRE, INC.	Accounts Payable Check	2,746.68
167410	04/23/2021	THE SHERWIN-WILLIAMS COMPANY	Accounts Payable Check	100.10
167411	04/23/2021	SLO BREWING CO., LLC	Accounts Payable Check	820.00
167412	04/23/2021	SLO COUNTY HEALTH AGENCY	Accounts Payable Check	81,104.50
167413	04/23/2021	SLO COUNTY SHERIFF'S OFFICE	Accounts Payable Check	159.00
167414	04/23/2021	ROLAND HENRY SNOW	Accounts Payable Check	25.00
167415	04/23/2021	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	1,836.00
167416	04/23/2021	SPECIALIZED EQUIPMENT REPAIR	Accounts Payable Check	1,079.14
167417	04/23/2021	T.A.P.S. TRUCK ACCESSORY OUTLT	Accounts Payable Check	2,747.45
167418	04/23/2021	THOMSON REUTERS - WEST	Accounts Payable Check	175.10
167419	04/23/2021	AYLA TOMAC	Accounts Payable Check	149.00
167420	04/23/2021	U.S. POSTMASTER	Accounts Payable Check	600.00
167421	04/23/2021	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	38.37
167422	04/23/2021	VERDIN	Accounts Payable Check	11,430.96
167423	04/23/2021	VERIZON WIRELESS	Accounts Payable Check	57.73
167424	04/23/2021	WALLACE GROUP	Accounts Payable Check	19,719.20
167425	04/23/2021	WCJ PROPERTY SERVICES	Accounts Payable Check	480.00
167426	04/23/2021	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	45.00
167427	04/23/2021	WHITLOCK & WEINBERGER TRANS.	Accounts Payable Check	555.00
167428	04/23/2021	WILKINS ACTION GRAPHICS	Accounts Payable Check	616.05
167429	04/23/2021	FRANCHISE TAX BOARD	Accounts Payable Check	160.00
4020	04/29/2021	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	8,199.21
167430	04/29/2021	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,027.05
167431	04/29/2021	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	3,068.50
167432	04/29/2021	ICMA-RC	Payroll Vendor Payment	125.00
167433	04/29/2021	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,319.09
167434	04/29/2021	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	308.84
167435	04/29/2021	SEIU LOCAL 620	Payroll Vendor Payment	816.65
167436	04/29/2021	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
167437	04/29/2021	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	3,770.13
167438	04/29/2021	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	321.00
4021	04/30/2021	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	467.07
4022	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,363.12
4023	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	28,250.03

**City of Atascadero**  
Disbursement Listing  
For the Month of April 2021

ITEM NUMBER: A-2  
DATE: 05/25/21  
ATTACHMENT: 1

<b>Check Number</b>	<b>Check Date</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
4024	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,923.56
4025	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,719.22
4026	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,999.86
4027	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	7,358.17
4028	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	8,147.24
4029	04/30/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	13,500.99
				<u><u>\$ 1,532,234.35</u></u>



# Atascadero City Council

March 2021

## Staff Report - City Treasurer

### March 2021 Investment Report

#### RECOMMENDATION:

Council receive and file the City Treasurer's report for quarter ending March 31, 2021.

#### REPORT IN BRIEF:

##### Cash and Investments

Checking	\$ 1,777,626	
Zoo Credit Card Deposit Account	7,828	
Money Market Accounts	65,772	
Certificates of Deposit	13,045,000	
Government Securities	13,682,563	
Supranational Securities	3,495,863	
Municipal Securities	2,172,093	
LAIF	17,765,866	
Cash with Fiscal Agents	2,631,853	
Cash in Banks at March 31, 2021		\$ 54,644,464
Timing Differences		(323,189)
Cash and Investments at March 31, 2021		<u>\$ 54,321,275</u>

##### Investment Activity

#### Securities Purchased:

Purchase Date	Description	Type	Cost	Maturity Date
01/15/21	First Reliance Bank Florence, SC	Certificate of Deposit	245,000	01/15/26
01/22/21	ConnectOne Bank Englewood Cliffs, NJ	Certificate of Deposit	245,000	01/22/26
01/22/21	Luana Savings Bank Luana, IA	Certificate of Deposit	245,000	01/22/26
01/27/21	El Cajon Taxable Pension Obl CUSIP #282659AX9	Municipal Security	662,792	04/01/25
02/22/21	Ind'l & Com'l Bank of China New York, NY	Certificate of Deposit	245,000	02/11/26
03/03/21	Federal Farm Credit Bank CUSIP #3133EFH91	Government Security	938,902	03/02/26
03/30/21	Federal Agriculture Mtge Corp CUSIP #31422XDX7	Government Security	499,074	03/27/26

**Investment Activity (continued)**

**Securities Matured:**

<u>Maturity Date</u>	<u>Description</u>	<u>Type</u>	<u>Original Cost</u>	<u>Amount Matured</u>
01/25/21	Federal Agriculture Mtge Corp CUSIP #3132X0EQ0	Government Security	459,532	455,000
02/08/21	Federal Home Loan Bank CUSIP #3133827D9	Government Security	488,698	480,000

**Securities Sold Prior to Maturity:**

None

**Other Reportable Activities:**

None

**CITY OF ATASCADERO**  
**TREASURER'S REPORT**  
**CASH & INVESTMENTS ACTIVITY SUMMARY**  
*for the quarter ending March 31, 2021*

ITEM NUMBER: A-3  
DATE: 05/25/21

	<u>CHECKING ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>FISCAL AGENT</u>	<u>TOTALS</u>
Balance per Banks at January 1, 2021	\$ 1,131,428	\$ 48,064,708	\$ 2,279,612	\$ 51,475,748
Receipts	11,322,102	178,927	559,100	12,060,129
Recognition of Premiums & Discounts	-	(3,949)	-	(3,949)
Disbursements	(8,680,605)	-	(206,859)	(8,887,464)
Transfers In	8,108,297	10,095,768	-	18,204,065
Transfers Out	<u>(10,095,768)</u>	<u>(8,108,297)</u>	<u>-</u>	<u>(18,204,065)</u>
Balance per Banks at March 31, 2021	<u>\$ 1,785,454</u>	<u>\$ 50,227,157</u>	<u>\$ 2,631,853</u>	54,644,464
Timing Differences				<u>(323,189)</u>
<b>Adjusted Treasurer's Balance</b>				<u><u>\$ 54,321,275</u></u>



**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
DATE:

A-3  
05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
<b><i>Funds Managed by City</i></b>											
n/a	<b>Local Agency Invest. Fund (LAIF)</b>	n/a	State Investment Fund	n/a	n/a	0.36%	\$ 17,765,866	n/a	\$ 17,765,866	\$ 17,788,426	\$ 22,560
n/a	<b>Broker Money Market</b>	n/a	Money Fund	n/a	n/a	Vary	65,772	n/a	65,772	65,772	-
04/13/21	<b>Federal National Mortgage Assn CUSIP #3135G0U27</b>	01/10/19	Government Security	Aaa	2.50%	2.56%	500,000	(9)	499,991	500,410	419
05/06/21	<b>Federal National Mortgage Assn CUSIP #3135G0K69</b>	06/09/16	Government Security	Aaa	1.25%	1.34%	500,000	(45)	499,955	500,580	625
06/09/21	<b>Worlds Foremost Bank Sidney, NE</b>	06/09/16	Certificate of Deposit	n/a	1.70%	1.70%	200,000	n/a	200,000	200,594	594
06/17/21	<b>Wells Fargo Bank Sioux Falls, SD</b>	06/17/16	Certificate of Deposit	n/a	1.75%	1.75%	245,000	n/a	245,000	245,811	811
08/23/21	<b>Comenity Capital Bank Sidney, NE</b>	08/22/16	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	246,360	1,360
08/30/21	<b>PrivateBank &amp; Trust Company Sioux Falls, SD</b>	08/29/16	Certificate of Deposit	n/a	1.75%	1.75%	245,000	n/a	245,000	246,438	1,438
09/07/21	<b>Ally Bank Midvale, UT</b>	09/09/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	246,901	1,901
09/13/21	<b>Community First Bank Kokomo, IN</b>	09/12/19	Certificate of Deposit	n/a	1.80%	1.80%	150,000	n/a	150,000	151,084	1,084
10/07/21	<b>Federal National Mortgage Assn CUSIP #3135G0Q89</b>	06/02/17	Government Security	Aaa	1.38%	1.72%	500,000	(880)	499,120	503,355	4,235
11/17/21	<b>First Source Bank South Bend, IN</b>	12/17/18	Certificate of Deposit	n/a	3.15%	3.15%	245,000	n/a	245,000	249,861	4,861
11/29/21	<b>Federal Home Loan Bank CUSIP #3130AABG2</b>	12/21/16	Government Security	Aaa	1.88%	2.12%	500,000	(820)	499,180	505,955	6,775
01/13/22	<b>Federal Home Loan Bank CUSIP #3137EADB2</b>	01/26/17	Government Security	Aaa	2.38%	2.06%	500,000	1,224	501,224	508,995	7,771
02/09/22	<b>Triad Bank Frontenac, MO</b>	02/09/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	249,047	4,047
02/21/22	<b>Everbank Jacksonville, FL</b>	02/14/17	Certificate of Deposit	n/a	2.05%	2.05%	245,000	n/a	245,000	249,297	4,297
03/11/22	<b>Federal Home Loan Bank CUSIP #313378CR0</b>	02/23/17	Government Security	Aaa	2.25%	2.00%	500,000	1,169	501,169	510,085	8,916
03/24/22	<b>First Sentry Bank Huntington, WV</b>	03/24/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	249,604	4,604



**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
DATE:

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05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
04/05/22	<b>Federal National Mortgage Assn</b> CUSIP #3135G0T45	05/04/17	Government Security	Aaa	1.88%	1.88%	\$ 500,000	n/a	\$ 500,000	\$ 508,840	\$ 8,840
05/17/22	<b>MB Financial Bank</b> Chicago, IL	02/09/22	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	250,260	5,260
05/31/22	<b>Lakeside Bank</b> Chicago, IL	06/02/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	250,422	5,422
06/10/22	<b>Federal Home Loan Bank</b> CUSIP #313379Q69	05/31/17	Government Security	Aaa	2.13%	1.86%	500,000	1,552	501,552	511,890	10,338
07/05/22	<b>Sallie Mae Bank</b> Salt Lake City, UT	07/08/19	Certificate of Deposit	n/a	2.20%	2.20%	245,000	n/a	245,000	251,485	6,485
07/12/22	<b>Barclays Bank</b> Wilmington, DE	07/12/17	Certificate of Deposit	n/a	2.20%	2.20%	245,000	n/a	245,000	251,578	6,578
07/27/22	<b>Federal Farm Credit Bank</b> CUSIP #3133EDE65	07/12/17	Government Security	n/a	3.05%	1.98%	302,000	4,217	306,217	313,600	7,383
08/03/22	<b>Federal Farm Credit Bank</b> CUSIP #3133EHTS2	08/17/17	Government Security	Aaa	1.90%	1.72%	500,000	1,180	501,180	511,735	10,555
09/09/22	<b>Federal Farm Credit Bank</b> CUSIP #313380GJ0	09/11/17	Government Security	Aaa	2.00%	1.62%	500,000	2,688	502,688	513,280	10,592
09/14/22	<b>Int'l Amer. Development Bank</b> CUSIP #4581X0CZ9	12/18/17	Supranational Security	Aaa	1.75%	2.23%	500,000	(3,467)	496,533	510,990	14,457
10/05/22	<b>Federal Farm Credit Bank</b> CUSIP #3135G0T78	01/18/18	Government Security	Aaa	2.00%	2.30%	500,000	(2,335)	497,665	513,940	16,275
11/28/22	<b>Bank of New England</b> Salem, NH	07/26/19	Certificate of Deposit	n/a	2.05%	2.05%	245,000	n/a	245,000	252,784	7,784
01/18/23	<b>Int'l Amer. Development Bank</b> CUSIP #4581X0DA3	01/18/18	Supranational Security	Aaa	2.50%	2.46%	500,000	321	500,321	520,435	20,114
01/18/23	<b>Int'l Amer. Development Bank</b> CUSIP #4581X0DA3	12/06/18	Supranational Security	Aaa	2.50%	2.90%	500,000	(3,465)	496,535	520,435	23,900
02/21/23	<b>Merrick Bank</b> South Jordan, UT	12/18/18	Certificate of Deposit	n/a	3.35%	3.35%	245,000	n/a	245,000	259,803	14,803
03/10/23	<b>Federal Farm Credit Bank</b> CUSIP #3130ADMX7	03/16/18	Government Security	Aaa	2.50%	2.71%	500,000	(1,966)	498,034	522,470	24,436
03/24/23	<b>Bell Bank</b> Fargo, ND	03/24/20	Certificate of Deposit	n/a	0.85%	0.85%	245,000	n/a	245,000	248,364	3,364
04/11/23	<b>Federal Farm Credit Bank</b> CUSIP #3133EJKN8	04/11/18	Government Security	Aaa	2.70%	2.71%	500,000	(109)	499,891	525,830	25,939

**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
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05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
04/12/23	<b>Morgan Stanley</b> Salt Lake City, UT	04/12/18	Certificate of Deposit	n/a	2.95%	2.95%	\$ 245,000	n/a	\$ 245,000	\$ 258,855	\$ 13,855
05/08/23	<b>Old Missouri Bank</b> Springfield, MO	05/06/19	Certificate of Deposit	n/a	2.50%	2.50%	100,000	n/a	100,000	104,887	4,887
05/09/23	<b>Goldman Sachs</b> New York, NY	05/09/18	Certificate of Deposit	n/a	3.15%	3.15%	245,000	n/a	245,000	260,332	15,332
06/06/23	<b>Citibank</b> Sioux Falls, SD	06/06/18	Certificate of Deposit	n/a	3.25%	3.25%	245,000	n/a	245,000	261,363	16,363
06/27/23	<b>PeopleFirst Bank</b> Joliet, IL	03/27/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	249,405	4,405
07/31/23	<b>Medallion Bank</b> Salt Lake City, UT	07/31/18	Certificate of Deposit	n/a	3.25%	3.25%	245,000	n/a	245,000	262,329	17,329
07/31/23	<b>Int'l Finance Corporation</b> CUSIP #45950KCP3	09/12/18	Supranational Security	Aaa	2.88%	2.90%	500,000	(282)	499,718	529,410	29,692
08/01/23	<b>Discover Bank</b> Wilmington, DE	08/01/18	Certificate of Deposit	n/a	3.35%	3.35%	245,000	n/a	245,000	262,954	17,954
09/26/23	<b>MidSouth Bank</b> Lafayette, LA	09/26/18	Certificate of Deposit	n/a	3.10%	3.10%	245,000	n/a	245,000	262,415	17,415
09/27/23	<b>Int'l Bank for Recon &amp; Develop</b> CUSIP #459058GL1	02/06/19	Supranational Security	Aaa	3.00%	2.55%	500,000	5,430	505,430	532,610	27,180
09/27/23	<b>Nicolet National Bank</b> Green Bay, WI	03/27/20	Certificate of Deposit	n/a	1.25%	1.25%	245,000	n/a	245,000	251,172	6,172
09/29/23	<b>Alma Bank</b> Astoria, NY	03/31/20	Certificate of Deposit	n/a	1.10%	1.10%	245,000	n/a	245,000	250,265	5,265
11/06/23	<b>Federal Farm Credit Bank</b> CUSIP #3133EJQ85	11/06/18	Government Security	n/a	3.05%	3.06%	500,000	(100)	499,900	535,615	35,715
11/08/23	<b>Morgan Stanley Private Bank</b> New York, NY	11/08/18	Certificate of Deposit	n/a	3.55%	3.55%	245,000	n/a	245,000	265,489	20,489
12/08/23	<b>Federal Home Loan Bank</b> CUSIP #3130AAHE1	04/30/20	Government Security	n/a	2.50%	0.39%	640,000	36,206	676,206	677,024	818
01/30/24	<b>First Premier Bank</b> Sioux Falls, SD	01/30/19	Certificate of Deposit	n/a	2.95%	2.95%	245,000	n/a	245,000	263,392	18,392
02/22/24	<b>Bank of Delight</b> Delight, AR	02/22/19	Certificate of Deposit	n/a	2.85%	2.85%	245,000	n/a	245,000	263,003	18,003
03/08/24	<b>Federal Home Loan Bank</b> CUSIP #3130AB3H7	03/07/19	Government Security	Aaa	2.38%	2.58%	750,000	(4,323)	745,677	795,742	50,065

**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
DATE:

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05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
03/27/24	<b>First National Bank</b> East Lansing, MI	03/27/19	Certificate of Deposit	n/a	2.75%	2.75%	\$ 245,000	n/a	\$ 245,000	\$ 262,767	\$ 17,767
04/26/24	<b>Mainstreet Bank</b> Fairfax, VA	05/01/19	Certificate of Deposit	n/a	2.60%	2.60%	245,000	n/a	245,000	262,001	17,001
05/13/24	<b>Federal Farm Credit Bank</b> CUSIP #3133EKLBO	05/13/19	Government Security	Aaa	2.31%	2.32%	500,000	(105)	499,895	529,425	29,530
05/16/24	<b>Enterprise Bank</b> Allison Park, PA	05/16/19	Certificate of Deposit	n/a	2.60%	2.60%	245,000	n/a	245,000	262,211	17,211
06/01/24	<b>Tulare County Pension Bond</b> CUSIP #899154AW8	09/28/20	Municipal Security	A1	3.56%	0.79%	120,000	10,370	130,370	129,466	(904)
06/26/24	<b>Commerce Bank</b> Geneva, MN	06/26/19	Certificate of Deposit	n/a	2.30%	2.30%	245,000	n/a	245,000	260,290	15,290
07/26/24	<b>Abacus Federal Savings</b> New York, NY	07/26/19	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	258,122	13,122
08/01/24	<b>Federal Farm Credit Bank</b> CUSIP 3133EJM55	07/24/19	Government Security	Aaa	3.25%	1.92%	427,000	18,169	445,169	466,446	21,277
08/19/24	<b>CF Bank</b> Worthington, OH	08/19/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	257,032	12,032
08/28/24	<b>Genoa Banking Company</b> Genoa, OH	08/28/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	256,664	11,664
08/28/24	<b>Int'l Bank for Recon &amp; Develop</b> CUSIP #459056HV2	10/18/19	Supranational Security	Aaa	1.50%	1.62%	500,000	(1,957)	498,043	516,395	18,352
08/30/24	<b>Preferred Bank</b> Los Angeles, CA	08/30/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	257,091	12,091
09/10/24	<b>Peoples Bank</b> Rock Valley, IA	03/23/20	Certificate of Deposit	n/a	1.50%	1.50%	100,000	n/a	100,000	103,757	3,757
09/20/24	<b>Bank of Deerfield</b> Deerfield, WI	09/20/19	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	255,922	10,922
09/25/24	<b>Grand River Bank</b> Grandville, MI	03/25/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	250,008	5,008
10/15/24	<b>Federal National Mortgage Assn</b> CUSIP #3135G0W66	03/13/20	Government Security	Aaa	1.63%	0.81%	500,000	14,244	514,244	519,430	5,186
11/08/24	<b>Raymond James Bank</b> St. Petersburg, FL	11/08/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	256,973	11,973
12/13/24	<b>Federal Home Loan Bank</b> CUSIP #3130A3GE8	03/13/20	Government Security	Aaa	2.75%	0.84%	500,000	34,837	534,837	540,110	5,273



**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
DATE:

A-3  
05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
01/15/25	<b>Int'l Bank for Recon &amp; Develop</b> CUSIP #459058HT3	01/16/20	Supranational Security	Aaa	1.63%	1.66%	\$ 500,000	\$ (717)	\$ 499,283	\$ 518,230	\$ 18,947
01/20/25	<b>Live Oak Banking Company</b> Wilmington, NC	01/24/20	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	257,742	12,742
01/24/25	<b>Baycoast Bank</b> Swansea, MA	01/24/20	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	256,366	11,366
02/12/25	<b>Federal Home Loan Mtge Corp</b> CUSIP #3137EAEP0	03/13/20	Government Security	Aaa	1.50%	0.79%	500,000	13,532	513,532	516,690	3,158
03/03/25	<b>Federal Farm Credit Bank</b> CUSIP #3133ELQY3	03/04/20	Government Security	Aaa	1.21%	0.88%	500,000	6,283	506,283	511,690	5,407
03/26/25	<b>Evergreen Bank Group</b> Oak Brook, IL	03/26/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	249,785	4,785
03/27/25	<b>Bank of Romney</b> Romney, WV	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	251,235	6,235
03/27/25	<b>First Jackson Bank</b> Stevenson, AL	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	251,235	6,235
04/01/25	<b>El Cajon Taxable Pension Obl</b> CUSIP 282659AX9	01/27/21	Municipal Security	Aa	1.18%	0.70%	650,000	12,286	662,286	645,236	(17,050)
04/28/25	<b>First National Bank</b> McGregor, TX	04/28/20	Certificate of Deposit	n/a	1.35%	1.35%	245,000	n/a	245,000	253,060	8,060
04/29/25	<b>Flagstar Bank</b> Troy, MI	03/26/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	251,071	6,071
07/01/25	<b>University of California</b> CUSIP #91412GU94	10/22/20	Municipal Security	Aa2	3.06%	0.81%	300,000	28,276	328,276	326,307	(1,969)
09/01/25	<b>San Bernardino Successor Agency</b> Swansea, MA	10/22/20	Municipal Security	Aa	4.00%	0.71%	175,000	25,054	200,054	197,841	(2,213)
10/01/25	<b>Folsom Cordova School District</b> CUSIP #34440PCN9	11/10/20	Municipal Security	Aa-	3.00%	1.00%	400,000	35,203	435,203	429,916	(5,287)
11/07/25	<b>Federal National Mortgage Assn</b> CUSIP #3135G06G3	12/14/20	Government Security	Aaa	0.50%	0.42%	500,000	1,824	501,824	492,175	(9,649)
11/15/25	<b>Tulare Sewer Revenue</b> CUSIP 899124MF5	12/11/20	Municipal Security	Aa	1.46%	0.58%	400,000	15,904	415,904	404,464	(11,440)
12/11/25	<b>BMW Bank North America</b> Salt Lake City, UT	12/11/20	Certificate of Deposit	n/a	0.50%	0.50%	245,000	n/a	245,000	242,212	(2,788)
12/18/25	<b>Third Federal Savings &amp; Loan</b> Cleveland, OH	12/18/20	Certificate of Deposit	n/a	1.46%	1.46%	245,000	n/a	245,000	241,558	(3,442)

**CITY OF ATASCADERO  
INVESTMENT REPORT  
March 31, 2021**

ITEM NUMBER:  
DATE:

A-3  
05/25/21

<b>MATURITY DATE</b>	<b>DESCRIPTION (ISSUER)</b>	<b>PURCHASE DATE</b>	<b>INVESTMENT TYPE</b>	<b>INVESTMENT RATING</b>	<b>STATED % RATE</b>	<b>YIELD</b>	<b>FACE VALUE</b>	<b>PREMIUM/ (DISCOUNT)</b>	<b>COST OF INVESTMENT</b>	<b>MARKET VALUE</b>	<b>UNREALIZED GAIN / (LOSS)</b>
01/15/26	<b>First Reliance Bank</b> Florence, SC	01/15/21	Certificate of Deposit	n/a	0.30%	0.30%	\$ 245,000	n/a	\$ 245,000	\$ 239,473	\$ (5,527)
01/22/26	<b>ConnectOne Bank</b> Englewood Cliffs, NJ	01/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	241,112	(3,888)
01/22/26	<b>Luana Savings Bank</b> Luana, IA	01/22/21	Certificate of Deposit	n/a	0.40%	0.40%	245,000	n/a	245,000	240,539	(4,461)
02/11/26	<b>Ind'l &amp; Com'l Bank of China</b> New York, NY	02/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	240,855	(4,145)
03/02/26	<b>Federal Farm Credit Bank</b> CUSIP #3133EFH91	03/03/21	Government Security	Aaa	2.22%	0.75%	876,000	62,057	938,057	929,813	(8,244)
03/27/26	<b>Federal Agriculture Mtge Corp</b> CUSIP #31422XDX7	03/30/21	Government Security	n/a	0.83%	0.87%	500,000	(927)	499,073	496,780	(2,293)
<b>Total Funds Managed by the City</b>							<u>49,916,638</u>	<u>310,519</u>	<u>50,227,157</u>	<u>51,072,473</u>	<u>845,316</u>
<b>Funds Managed by Fiscal Agent</b>											
n/a	<b>BNY Western Trust</b> Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	1.09%	1,758,375	n/a	1,758,375	1,758,375	-
n/a	<b>BNY Western Trust</b> Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	0.88%	873,478	n/a	873,478	873,479	1
<b>Total Funds Managed by Fiscal Agent</b>							<u>2,631,853</u>	<u>n/a</u>	<u>2,631,853</u>	<u>2,631,854</u>	<u>1</u>
							<u><b>\$ 52,548,491</b></u>	<u><b>\$ 310,519</b></u>	<u><b>\$ 52,859,010</b></u>	<u><b>\$ 53,704,327</b></u>	<u><b>\$ 845,317</b></u>

Average Maturity of Total Portfolio 694 Days

Weighted Average Yield of Total Portfolio 1.26%

\$1,031,852.14

**Certification:**

It has been verified that this investment portfolio is in conformity with the City of Atascadero's investment policy, which was approved by the City Council on September 8, 2020.  
The City Treasurer certifies that there is sufficient liquidity to meet the City of Atascadero's estimated future expenditures for a period of six months.

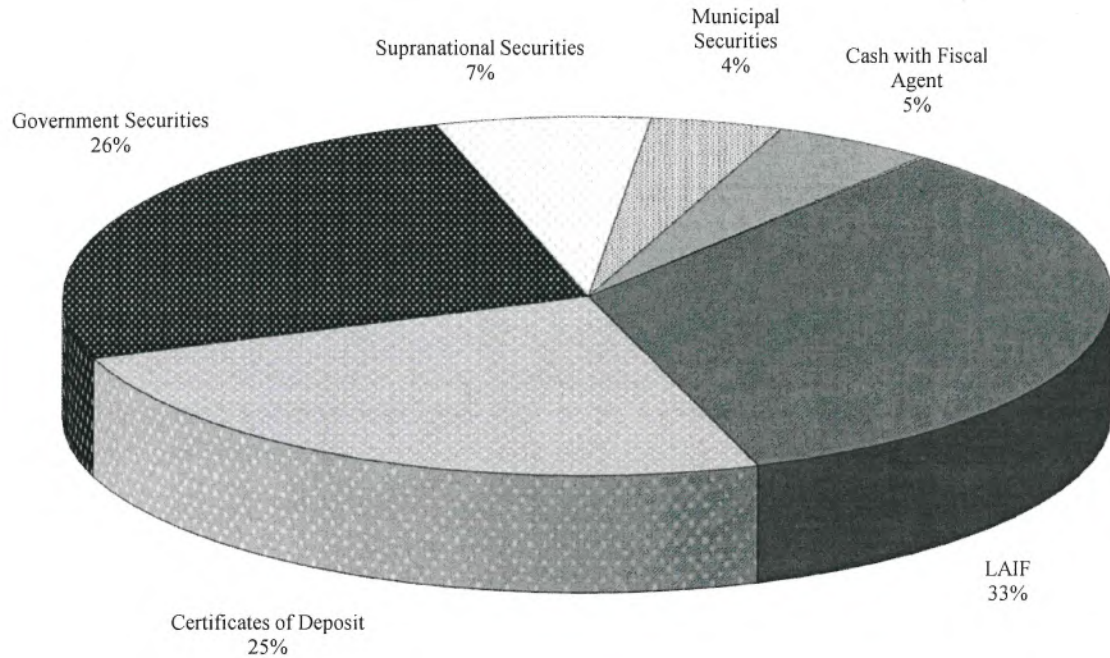
Verified by: Jeri Rangel  
Jeri Rangel - Director of Administrative Services

Approved by: Gere Sibbach  
Gere Sibbach - City Treasurer

**City of Atascadero  
Investments by Type  
March 2021**

ITEM NUMBER:  
DATE:

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05/25/21



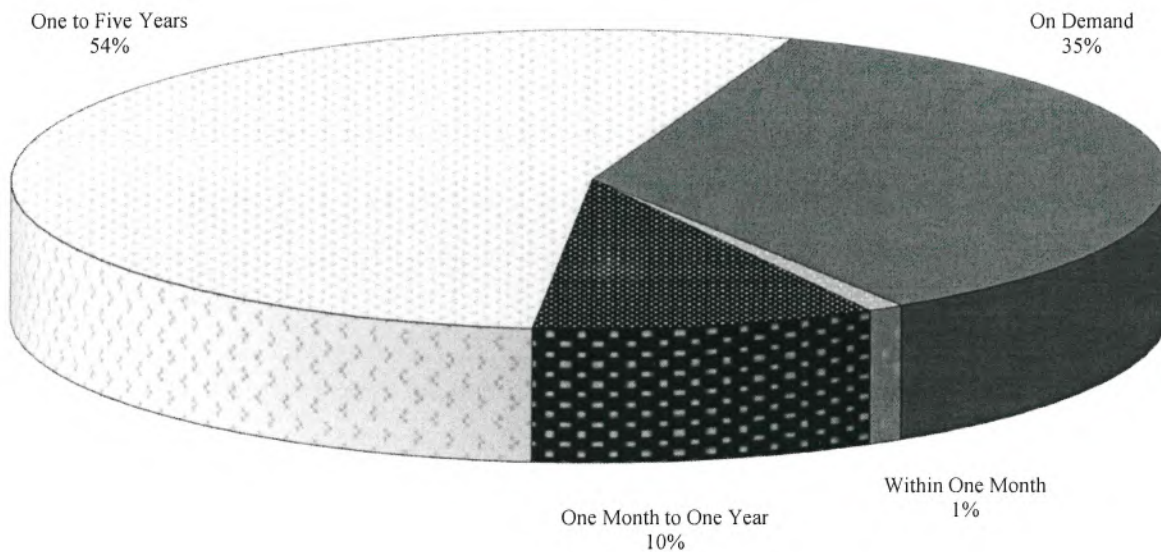
<u>Investment</u>	<u>March 2021</u>
LAIF	\$ 17,765,866
Certificates of Deposit	13,045,000
Government Securities	13,682,563
Supranational Securities	3,495,863
Municipal Securities	2,172,093
Cash with Fiscal Agent	2,631,853
Other	65,772
	<u>\$ 52,859,010</u>



**City of Atascadero**  
**Investments by Maturity \***  
**March 2021**

ITEM NUMBER:  
DATE:

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05/25/21



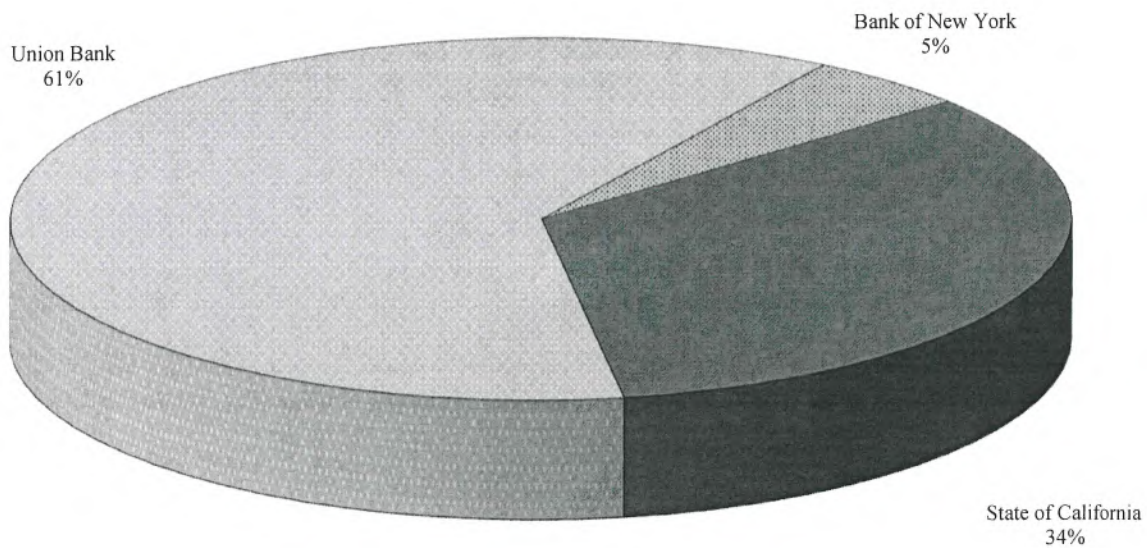
Investment	March 2021
On Demand	\$ 17,831,638
Within One Month	499,991
One Month to One Year	4,810,648
One to Five Years	27,084,880
	<u>\$ 50,227,157</u>

\* Cash with fiscal agent is not included in the totals for this graph because the amounts are restricted based on bond covenants, and therefore, the City doesn't retain the option to liquefy these funds at will.

**City of Atascadero**  
**Investments by Custodial Agent**  
**March 2021**

ITEM NUMBER:  
DATE:

A-3  
05/25/21

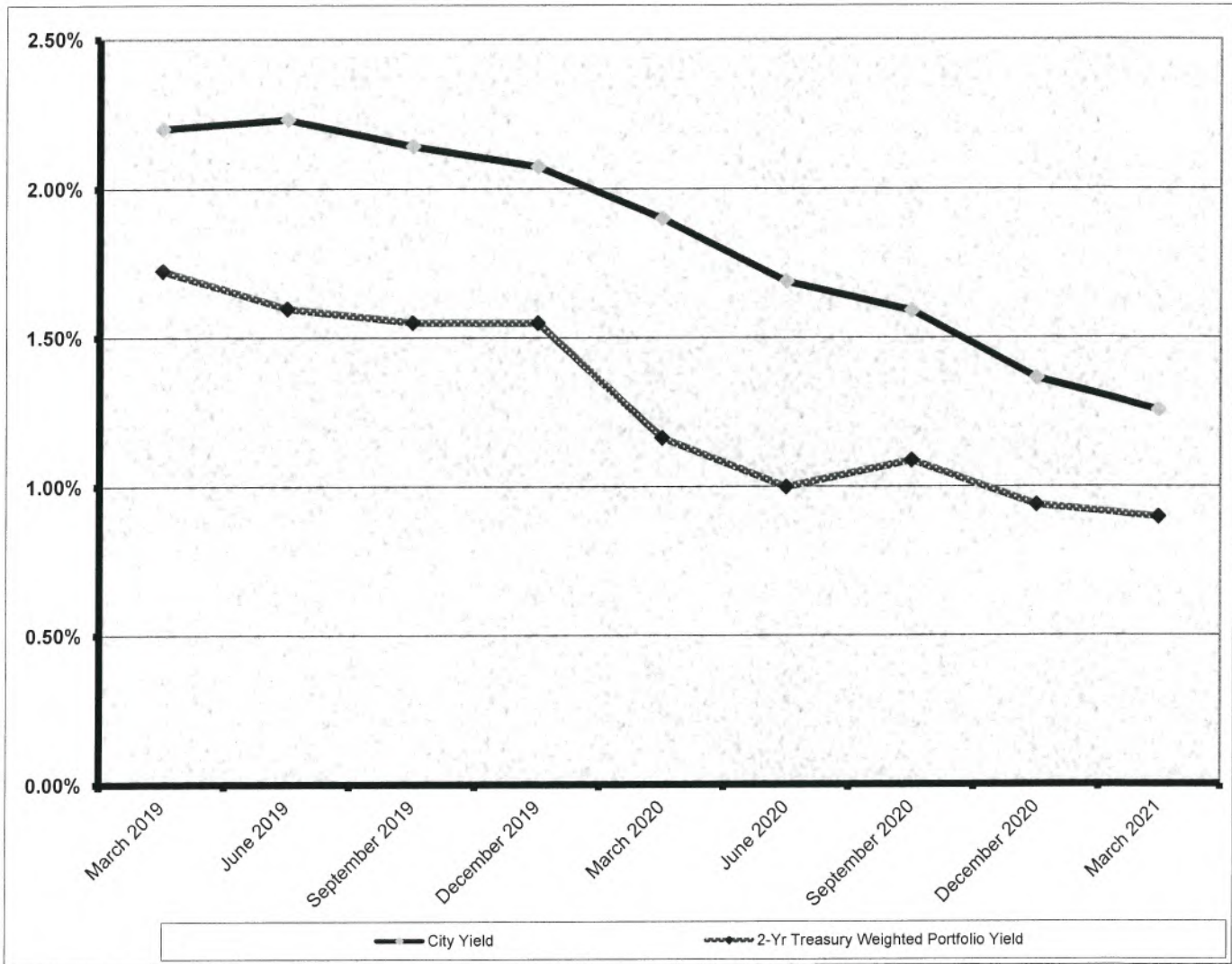


<u>Custodial Agent</u>	<u>March 2021</u>
State of California	\$ 17,765,866
Union Bank	32,461,292
Bank of New York	2,631,853
	<u>\$ 52,859,011</u>



**City of Atascadero**  
**Investment Yield vs. 2-Year Treasury Yield**  
**For the Quarter Ended March 31, 2021**

ITEM NUMBER: A-3  
DATE: 05/25/21



	City Yield	2-Yr Treasury Weighted Portfolio Yield
March 2019	2.20%	1.72%
June 2019	2.23%	1.60%
September 2019	2.14%	1.55%
December 2019	2.07%	1.55%
March 2020	1.90%	1.16%
June 2020	1.69%	1.00%
September 2020	1.59%	1.09%
December 2020	1.36%	0.94%
March 2021	1.26%	0.90%



# ***Atascadero City Council***

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

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### **Traffic Way Sewer Main Replacement Construction Award**

#### **RECOMMENDATIONS:**

Council:

1. Award a construction contract for \$2,740,040 to Specialty Construction, Inc. for the Traffic Way Sewer Main Replacement Project (Project No. C2019W01).
2. Authorize the City Manager to execute a construction contract with Specialty Construction, Inc. for \$2,740,040 for the Traffic Way Sewer Main Replacement Project.
3. Authorize the City Manager to execute a contract with Filippin Engineering for \$298,570 for construction management and materials testing services for the Traffic Way Sewer Main Replacement Project.
4. Authorize the Director of Administrative Services to allocate an additional \$1,236,900 in Wastewater Enterprise Fund balance to the Traffic Way Sewer Main Replacement Project.
5. Authorize the Director of Public Works to file a Notice of Completion with the County Recorder upon satisfactory completion of the Project.

#### **DISCUSSION:**

##### Background

As part of the Wastewater Collection Systems Master Plan Update, completed in October 2015, several portions of the collection system were identified as hydraulically deficient under existing and/or future peak hour flows. A series of capital improvement projects were developed to upgrade the wastewater collection system to meet these existing and future flow requirements and to reduce ongoing operation and maintenance expenses. The gravity sewer section of Traffic Way between San Jacinto Avenue and Tunitas Avenue was identified as a priority collection system upgrade project and includes replacement of two sections of existing sewer main as detailed below and shown on Attachment 1.

- Traffic Way – San Jacinto Avenue to Lift Station 6: Replace approximately 1,500 feet of existing 8-inch gravity sewer main with 15-inch pipe.
- Traffic Way – 300' south of Rosario Avenue to Lift Station 5: Replace approximately 2,300 feet of 10-inch gravity sewer main with 15-inch pipe and approximately 1,400 feet of 12-inch gravity sewer main with 18-inch pipe.

Additional items of work include construction of 22 new polymer-concrete manholes, reconnecting 55 private sewer laterals to the new sewer main, connecting to and repairing the interior epoxy lining at Lift Station 6, and roadway repaving for the roadway half impacted by the installation of the new sewer main.

#### Design Analysis

MNS Engineers was hired to perform final design work and prepare construction plans and specifications for the project. MNS subconsulted Yeh & Associates to evaluate multiple engineering options, including the potential for pipe bursting or boring. After the preliminary analysis, it was determined that pipe bursting was not technically feasible due to the large upsizing of the pipe, and boring was unlikely to result in significant cost savings but would increase construction risks and uncertainties. As a result, it was determined that installation of a new main, parallel to the existing main, utilizing an open-trench construction method was the preferred alternative. The City and MNS worked closely to locate the new main so that, with the exception of a few temporary construction operations, two lanes of traffic will be able to be maintained throughout the duration of the project.

Staff was heavily involved in value engineering during the design process and worked closely with MNS to evaluate both short-term and long-term costs. One significant outcome of this analysis was to utilize polymer-concrete manholes on this project. While these manholes are more costly initially, they are quickly becoming the standard for many agencies due to their resistance to corrosion and minimized long-term maintenance and upkeep costs.

City staff and MNS also worked to minimize inconvenience to the public to the greatest extent possible on this project. While reconstructing more than a mile of sewer main on a heavily trafficked roadway will have its complications, project documents have been written with the intention of minimizing impacts to properties with sewer laterals connecting to the main, public vehicular traffic, and operations at the Colony Park Community Center.

Finally, since this project will include abandoning the existing undersized sewer main, consideration was given during the design to maximizing opportunities for potential use as broadband conduit in the future. As part of this project, the existing manholes will be lowered below the finished roadway surface and the sewer lines will be plugged at the manhole connections (to avoid piping of groundwater through the abandoned system). However, these plugs can be easily removed and the infrastructure will remain fully intact and available for future use.

### Bid Analysis

The project was publicly bid starting April 12, 2021 for a minimum of 30 days in accordance with State Contracting Laws and Atascadero Purchasing Policies. A public bid opening occurred on May 13, 2021 and 4 bids were received ranging from \$2,740,040 to \$4,548,940. The bids were reviewed for accuracy and compliance with project bidding requirements, and the City Engineer has determined that Specialty Construction, Inc. of San Luis Obispo is the lowest responsive bidder at \$2,740,040. The engineer's estimate of probable construction costs was \$3,350,600. While the spread between high and low bids was significant, the lowest three bids fell between \$2,740,040 and 3,405,450.

The current budget provides \$2,658,100 in Wastewater monies for project funding. There has been an estimated \$225,000 spent to date for the design and bid phases of the project. The City will contract directly with a licensed land surveyor for survey monument perpetuation/preservation work, which is estimated at \$30,000. Other non-construction costs remaining include material testing, coordination, and construction management fees that are estimated to be \$350,000, or about 13% of construction costs. Staff is recommending contracting with Filippin Engineering to provide these services (see additional information under Construction Management Analysis).

Staff recommends awarding the project to Specialty Construction, Inc. If approved by Council, staff hopes to commence construction as soon as possible in an effort to minimize impacts to school traffic and Community Center operations by completing as much work as possible during the summer months. There will be some traffic impacts and inconveniences during construction, but staff, the construction manager and the contractor will provide notifications to affected residents and motorists during construction.

### Construction Management Analysis

Due to the size and complexity of the project, coupled with the number of other capital projects planned for construction in 2021, the Public Works Department does not have sufficient personnel to provide construction management and inspection services for the Traffic Way Sewer Replacement project. Subsequently, staff solicited proposals in April 2021 from qualified consultants to provide Construction Engineering and Materials Testing services. The scope of services includes full Construction Management, Construction Inspection and Construction Administration Services, as well as Geotechnical and Materials Sampling and Acceptance Testing.

Staff received three proposals from qualified consultants including Wallace Group, Filippin Engineering, and DPSI. Proposals were individually reviewed and scored based upon experience with similar projects, responsiveness to City needs, experience of key personnel, and other factors. The City was fortunate to receive excellent proposals and determined that Filippin Engineering submitted the most qualified proposal. Their experience working on similar projects for other public agencies was extensive, and their construction inspector is extremely well qualified and well regarded.

Filippin Engineering provided a detailed fee estimate worksheet with their proposal that included labor hours/costs, reimbursable expenses, and subconsultant fees for the work scope identified in the City's request for proposals. Staff reviewed Filippin Engineering's work scope and fee and have determined that it is reasonable for full time

construction management and inspection. Staff is recommending awarding a contract to Filippin Engineering on a labor plus reimbursable basis for an estimated maximum fee of \$298,570 for Construction Engineering and Materials Testing for the project.

Increases in anticipated expenditures above the original budget amount are the result of several factors. First, construction cost escalation factors for this work category has accelerated at a significantly higher rate than anticipated over the past two years when the project budget was last updated. In particular, manufactured materials, including lumber, steel and plastics (sewer pipe) have rapidly escalated over the last year. Secondly, project complexity, particularly with the need to minimize public inconvenience, necessitates construction phasing and methods that are more costly than originally anticipated. Thirdly, the budget identified in the Wastewater Collection System Master Plan Update assigned linear footage costs based on a construction method that was determined during preliminary engineering to be infeasible (pipe bursting). Traditional open-trench construction was determined to be the preferred alternative, but with the depths of sewer mainline, more expensive. The budget for this project has been reviewed as part of the upcoming 2021-2023 two-year budget cycle.

## ENVIRONMENTAL REVIEW:

The proposed project is Categorically Exempt (Class 2c) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) pursuant to CEQA Guidelines Section 15301, because it is limited to replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity. While this project does increase pipe size, this is not the result of a need to increase capacity, but to manage existing capacity currently operating under suboptimal (pressure flow) hydraulic conditions. A finding of exemption is on file in the project records.

## FISCAL IMPACT:

Award of the contracts to Specialty Construction and Filippin Engineering will result in the expenditure of \$3,038,610 of wastewater funds. The Project funding sources and uses are as follows:

ESTIMATED EXPENDITURES	
Design and Bid Phase	\$ 225,000
Construction Contract	2,740,040
Survey Monument Perpetuation	30,000
Construction Inspection / Testing / Administration @ 13%	350,000
Construction Contingency @ 20%	549,960
<b>Total Estimated Expenditures:</b>	<b>\$ 3,895,000</b>

BUDGETED FUNDING SOURCES	
Traffic Way Sewer Replacement Project (Wastewater Funds)	\$2,658,100
Additional Wastewater Funds	1,236,900
<b>Total Budgeted Funding Sources:</b>	<b>\$3,895,000</b>

## **ALTERNATIVES:**

*Construction Contract:* Council may cancel the project or direct staff to rebid the project. Staff does not recommend canceling the project due to ongoing maintenance issues with the undersized sewer main and potential difficulty accommodating additional users in key development areas. Given the recent increase in materials costs noted above, staff believes the low bid to be very reasonable and fair and a rebid will almost certainly result in higher bid proposals.

*Construction Engineering Services:* Council may direct staff to re-advertise for these services, or to provide the services with City personnel. Neither alternative is recommended since the proposed scope and fee provided by Filippin Engineering is considered reasonable, and City staff does not have the resources to be able to provide sufficient oversight for a project of this complexity and importance.

## **ATTACHMENTS:**

1. Project Location Map
2. Bid Summary

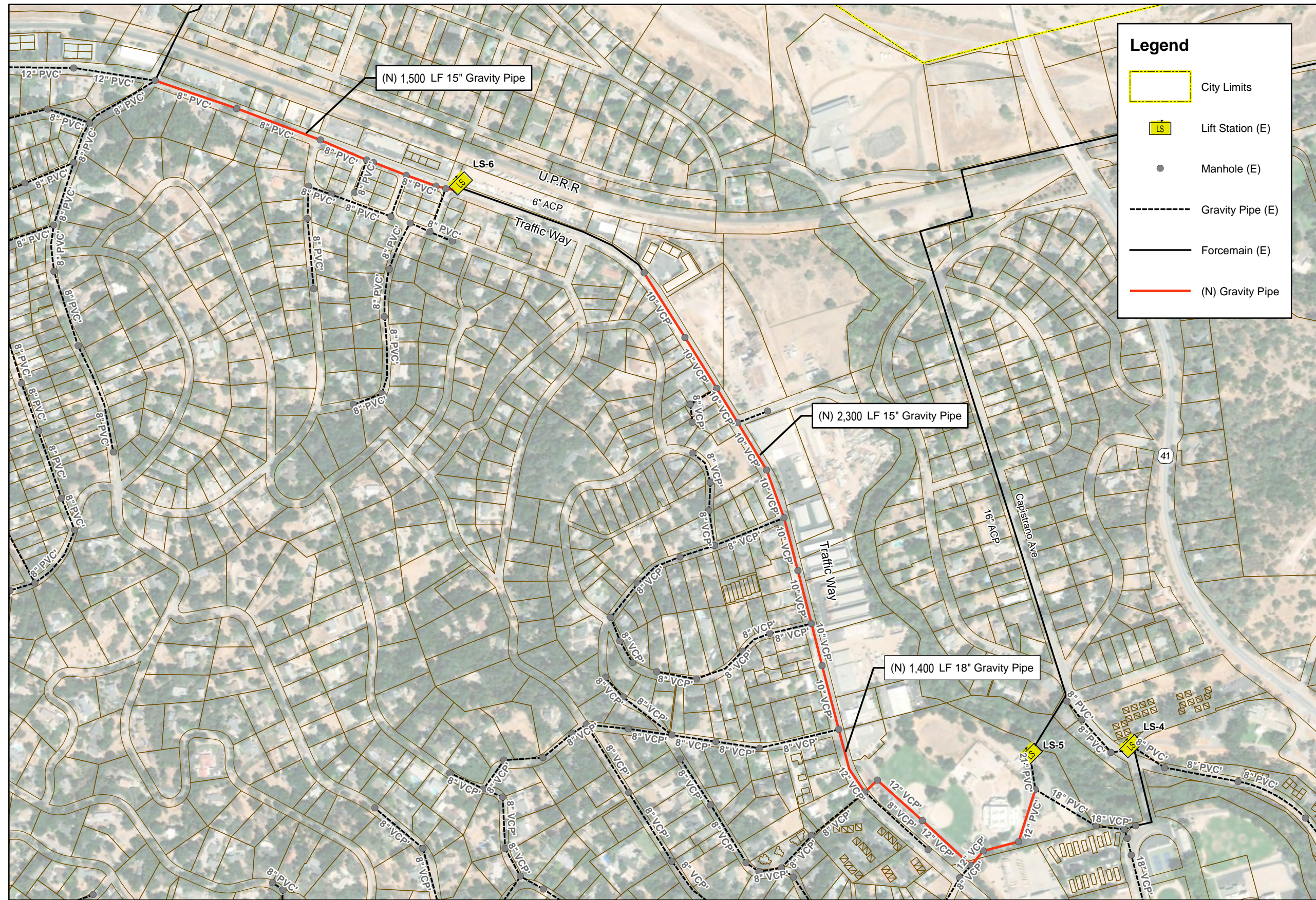




**WASTEWATER  
COLLECTION  
SYSTEM**

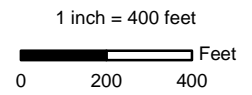
**TRAFFIC WAY  
SEWER  
IMPROVEMENTS  
PROJECT**

38



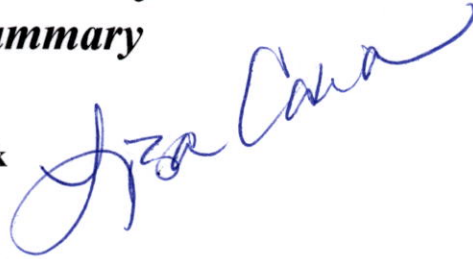
**Legend**

- City Limits
- LS Lift Station (E)
- Manhole (E)
- Gravity Pipe (E)
- Forcemain (E)
- (N) Gravity Pipe





***City of Atascadero***  
***Office of the City Clerk***  
***Bid Summary***



**TO:** Public Works  
**FROM:** Lisa Cava, Deputy City Clerk  
**BID NO.:** 2021-003  
**OPENED:** 5/13/2021  
**PROJECT:** Traffic Way Sewer Main Replacement (C2019W01)

4 Bids were received and opened today, as follows:

<u>Name of Bidder</u>	<u>Bid Total</u>
Specialty Construction, Inc.	\$2,740,040.00
Raminha Construction, Inc.	\$3,266,345.00
John Madonna Construction Co., Inc.	\$3,405,450.00
Whitaker Construction Group, Inc.	\$4,548,940.00





## ***Atascadero City Council***

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

#### **Appointment of Board Members to the Atascadero Tourism Business Improvement District (ATBID) Board**

#### **RECOMMENDATION:**

Council appoint Corina Ketchum and Tom O’Malley to the ATBID Advisory Board for the term expiring June 30, 2023.

#### **DISCUSSION:**

In 2013, the lodging businesses in Atascadero requested the Council establish a Tourism Business Improvement District in order to levy annual assessments that would fund tourism promotions and marketing programs to promote the City as a tourism destination. The City Council established the ATBID, appointed Board Members, and levied assessments beginning June 1, 2013.

When the initial Advisory Board was appointed, it was comprised of three members serving three-year terms, and two members serving two-year terms. In 2015, the Municipal Code was changed to clarify that after the initial formation, all subsequent Board Members will serve two year staggered terms. The terms of the Board Member positions currently held by Tom O’Malley and previously held by Lucian Capruea and are set to expire on June 30, 2021. Lucian Capruea recently resigned from the Board and his position is currently vacant.

Once Board Member terms are close to expiring, the ATBID’s Rules and Procedures lay out the nomination process that must be followed. Before the expiration of terms, a letter is mailed out to each Lodging Business notifying them of a meeting for the purpose of making nominations for the Board seats that are scheduled to be vacant in July. At this meeting, lodging business owners are nominated and a written ballot election determines the nominees to be recommended to the City Council. The results of the nomination meeting are then forwarded to the City Clerk to be placed on the Council’s agenda as a recommendation for filling the Board vacancies.

The Atascadero Municipal Code § 3-16.07 (b) states that membership on the ATBID Board is limited to Lodging Business owners or employees or other representatives holding the written consent of a Lodging Business owner within the ATBID area who has

fully paid its assessment at the time of the appointment, and remain fully paid during the term of the membership on the Board.

This year, letters were mailed out to each of the Lodging Businesses on April 2, 2021 and the Lodging Business nomination meeting was held May 3, 2021. Corina Ketchum and Tom O'Malley were selected by the lodging owners present at the nomination meeting to be recommended to the City Council for appointment to the ATBID Board. Once appointed, following would be the new ATBID Board going forward:

## **TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) (2-Year Terms)**

<b>BOARD MEMBER</b>	<b>LODGING FACILITY</b>	<b>TERM EXPIRES 6/30/2022</b>	<b>TERM EXPIRES 6/30/2023</b>
Patricia Harden	Springhill Suites Marriott	X	
Amar Sohi	Holiday Inn Express	X	
Deana Alexander	The Carlton	X	
Tom O'Malley	The Portola Inn		X
Corina Ketchum	Hilton Home 2 Suites		X

### **FISCAL IMPACT:**

None.

### **ALTERNATIVE:**

Council may reject the recommendation of the lodging business owners and request a new recommendation from the lodging business owners.

### **ATTACHMENTS:**

None.



# ***Atascadero City Council***

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

### **Atascadero Tourism Business Improvement District (ATBID) Annual Assessment**

#### **RECOMMENDATIONS:**

Council:

1. Approve the ATBID Annual Report.
2. Adopt Draft Resolution declaring intent to levy an annual Business Improvement District assessment on lodging businesses within the Atascadero Tourism Business Improvement District, and set a public hearing for June 8, 2021.

#### **DISCUSSION:**

The City of Atascadero established the Atascadero Tourism Business Improvement District (ATBID) to levy annual assessments under the Parking and Business Improvement Area Law of 1989, by adopting Title 3, Chapter 16 of the Atascadero Municipal Code in April 2013. The activities to be funded by the assessments, on lodging businesses within the ATBID, are tourism promotions and marketing programs to promote the City as a tourism destination. The formation and operation of a Tourism Business Improvement District is governed by the California Streets & Highways Code (Section 36500 et. Seq.). The budget for the ATBID is submitted in conjunction with the City’s annual budget.

The City Council appointed ATBID Advisory Board Members to serve at the pleasure of the Council. The Advisory Board is made up of lodging business owners or employees, or other representatives holding the written consent of a lodging business owner within the ATBID area. At the April 13, 2021 Council meeting, the Council received an update on ATBID activities as part of the City Marketing update.

The Streets & Highways Code requires that the Advisory Board provide a specific report to the City Council annually for the expenditure of funds derived from the assessment paid by lodging businesses within the City. The annual report must identify: (1) proposed activities, programs and projects for the fiscal year; (2) the approximate cost of such activities, programs and projects for the fiscal year; (3) the amount of surplus or deficit revenues carried over from a previous fiscal year; and (4) contributions received other

than assessments. The annual report must meet the requirements of the California Streets and Highway Code §36533. The City Council may approve the report as filed or may modify any particular contained in the report and approve it as modified.

As the numbers in the Annual Report indicate, there has been a slow recovery from COVID-19. This slow recovery has negatively affected the local economy and reduced income to the lodging industry over the past 15 months. As a result, the ATBID fund has experienced these reductions in revenue. As we work to reopen the economy and tourism starts to return, estimates of the increase to revenue will continue to be revised, but as of the writing of this report, staff projects that assessment revenue for fiscal year 2020-21 will be \$248,780, down 23.9% from the budgeted revenue and up 10.8% from 2019-20 actual assessment revenue. Staff projects that assessment revenue for fiscal year 2021-22 will be \$292,320, up 18% over fiscal year 2020-21. Expenditures for fiscal year 2020-21 are expected to come in under budget by about \$138,710, or about 43.8%. Budgeted expenditures for fiscal year 2021-22 have only been reduced by 2.6% from the budgeted revenue so that those funds may be used to help rebuild tourism revenue in Atascadero.

The ATBID fund balance is now projected to be \$349,860 at June 30, 2021, and \$340,590 at June 30, 2022. While the fund balance is expected to be slightly less than originally projected in the adopted 2020-21 budget, it remains sufficient to keep ATBID operations stable as we work to reopen. Revenues are expected to continue to grow, and reserves are expected to build up again starting in fiscal year 2022-23.

The Annual Report includes the above assumptions. Staff recommends the Council approve the Annual Report, adopt the Resolution of Intention, and set a date and time for a public hearing. The purpose of the public hearing is to receive public comment prior to the assessment being collected. Staff is proposing that the hearing be conducted at the next regular City Council meeting scheduled for June 8, 2021.

## **FISCAL IMPACT:**

None.

## **ALTERNATIVE:**

The City Council may modify the Annual Report before approval.

## **ATTACHMENTS:**

1. Draft Resolution
2. ATBID Annual Report

## **DRAFT RESOLUTION**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ANNUAL ASSESSMENT ON LODGING BUSINESSES WITHIN THE ATASCADERO TOURISM BUSINESS IMPROVEMENT DISTRICT, PURSUANT TO STREETS & HIGHWAYS CODE SECTION 36500 ET.SEQ.**

**WHEREAS**, the City Atascadero (“City”) has formed the Atascadero Tourism Business Improvement District, pursuant to Section 26500 of the Streets & Highways Code of the State of California; and

**WHEREAS**, the City Council has received an annual report pursuant to Section 36533 of said Code; and

**WHEREAS**, the City Council has approved said report and is required to adopt a resolution of intention pursuant to Section 36534.

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1.** The City Council hereby declares its intent to levy and collect assessments within the Atascadero Tourism Business Improvement District for Fiscal Year 2021-2022.

**SECTION 2.** The ATBID includes all of the lodging businesses, including hotels, motels, bed and breakfasts, and each business defined as a “hotel” in Section 3-3.02 of Chapter 3 (Transient Occupancy Tax) of the Atascadero Municipal Code (“Lodging Businesses”) within the corporate boundaries of the City.

**SECTION 3.** The activities to be funded by the levy of assessments against Lodging Businesses within the ATBID are tourism promotions and marketing programs to promote the City as a tourism destination and projects, programs, and activities that benefit Lodging Businesses located and operating within the boundaries of the ATBID. The proposed activities will primarily be targeted at increasing transient stays at Lodging Businesses.

**SECTION 4.** The City Council sets June 8, 2021, as the date of the public hearing on the levy of assessments. The public hearing will be held at 6:00 p.m. or as soon thereafter as practicable, in the City of Atascadero Council Chambers, 6500 Palma Ave., Atascadero, California 93422.

**SECTION 5.** A protest may be made orally or in writing by any owner of a Lodging Business that is within the ATBID boundaries and subject to the ATBID assessment. Written protests must be received by the City Clerk, City of Atascadero, before the close of the public hearing and may be delivered or mailed to the City Clerk, Atascadero, 6500 Palma Ave., Atascadero, California 93422. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing.

**SECTION 6.** Further information regarding the proposed ATBID may be obtained from the City Manager's Office, City of Atascadero, 6500 Palma Ave., Atascadero, CA 93422.

**SECTION 7.** The City Clerk is directed to provide notice of the public hearing on the proposed ATBID by causing this resolution to be published once in a newspaper of general circulation in the City not less than seven days before said hearing.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the 25th day of May, 2021.

On motion by Council Member \_\_\_\_\_ and seconded by Council Member \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ADOPTED:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

**ATBID Annual Report  
Fiscal Year 2021-2022**

*(Pursuant to Streets & Highways Code Section 36533)*

1. Proposed activities, programs and projects for the fiscal year:
  - Contract services
    - Marketing Firm
    - Administration Services
  - Marketing Plan
  - Maintenance of Visual Assets
    - Photography & Content
    - Creative Services
  - Digital Marketing
    - Website Content & Updates (i.e., Visit Atascadero; VisitSLOCAL)
    - Social Media
  - Advertising
    - Print & Promotional Items
    - Digital
    - Reactive Opportunities
  - Public Relations
    - Group FAM (familiarization tours for journalists, tour operators and meeting & event coordinators)
    - Individual Journalist Hosted Itineraries
    - Press Releases
  - Tour & Travel
    - Collaboration with CCTC FAMs
    - Collaboration with Visit CA FAMs
    - Collaboration with Visit SLOCAL FAMs
  - Consumer Outreach
    - Event Sponsorships Opportunities
    - Event Marketing
    - Email Marketing
  - Administration of TBID fund
2. Approximate cost of such activities, programs and projects for the fiscal year is projected to be \$308,540.
3. Amount of fund balance as of June 30, 2021 is projected to be \$349,860.
4. Estimated fund balance for June 30, 2022 is budgeted at \$340,590.
5. Contributions received other than assessments:
  - Estimated interest income of \$5,150 for fiscal year 2020/21
  - Estimated interest income for fiscal year 2021/22 is budgeted at \$6,950.



# ***Atascadero City Council***

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

### **Downtown Parking & Business Improvement Area (DPBIA) Assessment**

#### **RECOMMENDATION:**

Council adopt Draft Resolution, declaring intent to levy the annual Downtown Parking and Business Improvement Area assessment, and set a public hearing for June 8, 2021.

#### **DISCUSSION:**

The City of Atascadero established a Downtown Parking and Business Improvement Area in 1986 (Chapter 11 of the Atascadero Municipal Code) for the purpose of *acquisition, construction or maintenance of parking facilities, decoration of public places, promotion of public events, and general promotion of business activities in the downtown area*. The formation and operation of a Parking and Business Improvement Area is governed by the California Streets & Highways Code (Section 36500 et. Seq.). The assessment was reduced to \$0.00 in 2010 at the behest of downtown landlords and as part of a program to encourage downtown businesses.

In January 2018, staff was approached by an informal committee of downtown business owners, who expressed interest in reinstituting the full levy of the assessment for the Downtown Parking and Business Improvement Area (DPBIA). This committee spent months conducting outreach regarding the DPBIA including holding town hall meetings, sending letters and emails, and personally meeting with businesses subject to the DPBIA in order to garner support to request the Council reinstitute the full assessment. The Council reinstituted the assessment in June 2018 following a show of support from downtown business owners.

The Streets & Highways Code requires that the “advisory board” provide a report to the City Council annually for the expenditure of funds derived from the assessment paid by businesses in the downtown area. In order to ensure adoption of the assessment prior to the beginning of the Fiscal Year, the report and Resolution of Intention are submitted as a part of this agenda item. A hearing would then be conducted at the next regular City Council meeting scheduled for June 8, 2021.



The Chamber of Commerce serves as the advisory body and the sub-contractor to the City regarding the DPBIA. The informal committee of downtown business owners advises the Chamber of Commerce on expenditures and assists in the creation of the annual budget. The Chamber of Commerce has submitted a report identifying the proposed improvements and activities for the area, based upon the National Main Street Program's four-point approach. The report does not propose any changes to the boundaries of the DPBIA or of the assessment.

The Chamber of Commerce is proposing expenditures for 2021/2022 with the Downtown Parking and Business Improvement Area funds as follows:

BIA Funds requested for 2021/2022	\$ 12,750
Carry over from 2020/2021	\$ 1,730
BIA Cash Balance 02/28/21	\$ 13,088
Estimated revenue from events	<u>\$ 1,000</u>
Total Proposed Funding Available	<u>\$ 28,568</u>

2021/2022 Proposed Expenditures:

Events	\$12,000
Beautification/Miscellaneous	\$12,000
Marketing	\$ 2,068
Administration	<u>\$ 2,500</u>
Total Proposed Expenditures for 2021/2022	<u>\$28,568</u>

<i>Fund Residual</i>	<i>\$ 0</i>
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The proposed expenditures will focus to a combination of events and beautification ideas to help promote the downtown and strengthen the businesses in the area. Due to 2020 being a tough year to navigate, it will be helpful to be able to bring events back. One being Taco Day on Traffic Way that has historically generated income for the committee through ticket sales. Income from this event is again anticipated in the 2021/2022 fiscal year in the amount of \$1,000. This revenue will be collected directly by the committee and/or the Chamber of Commerce.

An annual Draft Resolution of Intention, declaring the City's intent to levy an annual Downtown Parking and Business Improvement Area assessment, and holding a public hearing is required by the California Streets & Highways Code for the City to levy and collect the assessments. Consistent with State law, the City Council is required to adopt a Draft Resolution of Intention and set a public hearing to receive public comment prior to the assessment being collected.

Staff is proposing that the hearing be conducted at the next regular City Council meeting scheduled for June 8, 2021.

**FISCAL IMPACT:**

None.

## **ALTERNATIVES:**

1. The City Council may set an alternative date for the public hearing, but no later than June 22, 2021.
2. The City Council may discontinue the current program and assess a \$0 fee to businesses in the District.
3. The City Council may choose not to adopt the Resolution of Intention to levy assessment, thereby discontinuing the collection of Downtown Parking and Business Improvement Area assessments.

## **ATTACHMENTS:**

1. Draft Resolution
2. Downtown Parking and Business Improvement Area Report and Proposed Expenditures for 2021-2022

## **DRAFT RESOLUTION**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, DECLARING THE CITY'S INTENT TO LEVY AN ANNUAL ASSESSMENT PURSUANT TO STREETS & HIGHWAYS CODE SECTION 36500 ET. SEQ.**

**WHEREAS**, the City of Atascadero has formed a Parking and Business Improvement Area, pursuant to Section 36500 of the Streets and Highways Code of the State of California; and

**WHEREAS**, the City Council has received a report pursuant to Section 36533 of said Code; and

**WHEREAS**, the City Council has approved such report and is required to adopt a resolution of intention pursuant to Section 36534; and

**WHEREAS**, the report proposes no changes to the boundaries or assessment amounts that currently apply in said area; and

**WHEREAS**, the report identifies the proposed improvements and activities for the area based upon the National Main Street Program four point approach, on file in the City Clerk's Office and incorporated herein by this reference.

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1.** The City Council hereby declares its intent to levy and collect assessments within the Parking and Business Improvement Area for Fiscal Year 2021-2022.

**SECTION 2.** The area is known as the Downtown Parking and Business Improvement Area. The area is generally located in the downtown core including the area between Highway 41 on the south, Rosario Avenue on the north, Highway 101 on the west, and an irregular boundary generally along Santa Ysabel Avenue on the east.

**SECTION 3.** Consistent with Section 36527 of the Streets and Highways Code, Ordinance No. 116 proposes the following uses of Downtown Parking and Business Improvement Area revenue:

- a. The acquisition, construction, or maintenance of parking facilities for the benefit of the area.
- b. Decoration of public place in the area.
- c. Promotion of public events that are to take place on or in public places in the area.
- d. The general promotion of business activities in the area.

**SECTION 4.** A report, which includes a full and detailed description of the improvements and activities to be provided in the 2021-2022 fiscal year, the boundaries of the area, and the proposed assessments to be levied upon the businesses within the area for Fiscal Year 2021-2022, is on file in the City Clerk's Office and incorporated herein by this reference.

**SECTION 5.** The City Council will hold a public hearing on the levy of the proposed assessment for Fiscal Year 2021-2022 on June 8, 2021 at 6:00 p.m., or sometime shortly thereafter, in the City Council Chambers, 6500 Palma Avenue, Atascadero, California.

**SECTION 6.** Written or oral protests may be made at the hearing. The form of the protests shall comply with Sections 36524 and 36524 of the Streets and Highways Code.

**SECTION 7.** The City Clerk is hereby directed to give notice of the public hearing by causing this Resolution to be published once in a newspaper of general circulation in the City not less than seven days before said hearing.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_\_\_ day of June, 2021.

On motion by Council Member \_\_\_\_\_, and seconded by Council Member \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

## **Exhibit A**

### **Atascadero Chamber of Commerce Downtown Parking and Business Improvement Area Annual Report for Fiscal Year 2021-2022**

The California Streets and Highways Code Section 36533 requires the preparation of a report for each fiscal year for which assessments are to be levied and collected to pay the costs of improvements and activities of the Improvement Area. The report may propose changes, including, but not limited to the boundaries of the parking and business improvement area or any benefit zones within the area, the basis and method of levying the assessments, and any changes in the classification of businesses.

No boundary changes are proposed for Fiscal Year 2021-2022. The boundaries are more specifically described as follows:

From the south corner of Morro Road at the Highway 101 over-crossing then in the generally northwest direction immediately adjacent to Highway 101, to a point at the intersection of El Camino Real and Rosario Avenue, then easterly along Rosario Avenue, to a point at the intersection of Rosario and Palma Avenue, then easterly along Palma Avenue to the rear lot line of parcels on the east side of Traffic Way, then north along said rear lot lines to include Lot 24 of Block LA, of Atascadero, then northerly along the center line of Traffic Way, to a point, then easterly to include the presently existing National Guard Armory Property. Then to a point easterly to the intersection of West Mall and Santa Ysabel Avenue at the West Mall bridge, then southerly along Santa Ysabel Avenue to a point at the intersection of the southerly leg of Hospital Drive and Santa Ysabel Avenue, then easterly from that point to the extension of proposed Highway 41, then southwesterly to the Morro Road/Highway 101 over-crossing, point of beginning.

Since 2000, the City, Community Redevelopment Agency, Chamber of Commerce, other organizations and the community have worked to strengthen the downtown business community, and implement the downtown revitalization strategy. In 2009, as the economic downturn was affecting businesses, the City Council made the decision to levy a \$0 assessment on the businesses in the District. The State of California dissolved all redevelopment agencies in 2011, and the City, Chamber of Commerce, and other organizations have worked in collaboration to continue the efforts of the Community Redevelopment Agency to provide better services to and strengthen the businesses in the downtown.

In 2017, an informal committee of downtown business owners formed to promote economic vitality and encourage business growth in the downtown. This committee will advise the Chamber of Commerce on expenditures and will assist in the creation of the annual budget for the Downtown Parking and Business Improvement Area (DPBIA). The Atascadero Chamber of Commerce will serve as the advisory body and the

sub-contractor to the City regarding the Downtown Parking and Business Improvement Area. The Chamber of Commerce is requesting that the City levy an assessment of 100% of the business license fee for businesses in the DPBIA. Each licensed business in the Improvement Area shall contribute to the assessment. Activities and improvements in the DPBIA are funded by the assessment.

The proposed work plan and budget for Fiscal Year 2021/2022 is as follows:

BIA Funds requested for 2021/2022	\$ 12,750
Carry over from 2020/2021	\$ 1,730
BIA Cash Balance 02/28/21	\$ 13,088
Estimated revenue from events	<u>\$ 1,000</u>
Total Proposed Funding	<u>\$ 28,568</u>

2021/2022 Proposed Expenditures:

Events	\$12,000
Beautification/Miscellaneous	\$12,000
Marketing	\$ 2,068
Administration	<u>\$ 2,500</u>
Total Proposed Expenditures for 2021/2022	<u>\$28,568</u>

<i>Fund Residual</i>	\$ 0
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This report shall be filed with the City Clerk on behalf of the DPBIA for Fiscal Year 2021-2022.



## ***Atascadero City Council***

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### ***Staff Report - Public Works Department***

#### **Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates**

#### **RECOMMENDATIONS:**

Council:

1. Conduct a public hearing to receive all written and verbal testimony regarding the proposed wastewater (sewer) rates and consider the results of protest proceedings in accordance with Proposition 218.
2. Adopt one of the following resolutions certifying the protest results:
  - A. For a non-majority protest – Draft Resolution A certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase.

**OR**

- B. For a majority protest – Draft Resolution B certifying that the number of valid written protests were received from property owners representing a majority of the parcels subject to the proposed rate increase.
3. If no majority protest exists, adopt Draft Resolution C approving proposed wastewater rates effective July 1, 2021.

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

The City is proposing to increase wastewater rates in order to accommodate the costs of providing wastewater services due to a number of key factors including but not limited to rising treatment and energy costs; impacts of regulation and legislation; and past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure. A Wastewater Rate Study was completed in 2019 that proposed increases to sewer service charges and sewer connection fees (capacity charges). These significant rate increases were proposed to be phased in over a five year period. The rate increases proposed for 2021-2022 would be the third of the five proposed phased in rate increases.

The City Council reviewed the rate study and proposed wastewater rates at their March 23, 2021 meeting and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system. The Council also set a Public Hearing for May 25, 2021 to consider proposed wastewater rate increases and receive any protests from parcel owners subject to the rate increases. If a majority of valid protests are received by the deadline established, the City cannot increase the proposed rates in accordance with Proposition 218. If a majority of protests are not received, the City may go ahead with the proposed rate increases.

## **DISCUSSION:**

### Background

The City of Atascadero owns and operates a wastewater collection and treatment system that provides service to a portion of the City. The over 5,000 parcels served by the wastewater collection and treatment system include residential, commercial, and light industrial customers. The remainder of the City's population is served by on-site wastewater treatment systems (septic systems).

The City assumed ownership and operation of the wastewater collection and treatment system from the Atascadero County Sanitation District in 1982 shortly after incorporation (1979). While there have been upgrades, modifications, and additions to the wastewater treatment facilities, the overall process has not changed significantly since 1982 and is considered a stabilization pond treatment system. The wastewater collection system (also referred to as the sanitary sewer system) is currently comprised of approximately 63 miles of four to 21-inch diameter gravity sewer pipe, 1,460 manholes, 12 lift stations, 7 miles of four to 16-inch diameter forcemain, and over 5,000 sewer service connections. This system has expanded since 1982 but still has original pipes in service from the 1930's.

Customers connected to the City's sanitary sewer system are billed a monthly fixed charge for the service the City provides to collect and treat the wastewater, which is called a sewer service charge or wastewater service charge. This fixed rate methodology is used since the City is not the water supplier and does not have access to individual customer water consumption data. The monthly fixed charge used by the City is based upon Equivalent Dwelling Units (EDUs), where one EDU is the basis for a single family residence (SFR) service charge, based upon an estimated average daily flow of 240 gallons of wastewater and wastewater strength provided by the residence. Other connection users are assigned a multiple or fraction of an EDU based upon expected average daily flow and strength of wastewater compared to that of SFR. For example, an apartment or condo is 0.75 EDUs and charged 0.75 times that of a SFR service charge, and a restaurant with less than 40 seats is 4 EDUs and charged 4 times that of a SFR service charge. The City currently has approximately 8,400 EDUs in the system.

Sewer service charges are collected by placing a levy each year on the property taxes of individual customers through San Luis Obispo County. The City provides data to the County, including the Assessor's Parcel Number (APN), and the associated sewer service charge being levied on the property. The charge is included as a line item on the



customer's property tax statements. Revenue from sewer service charges are paid to the City twice each year.

Council directed staff at its March 23, 2021 meeting to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system. Council also set a Public Hearing for May 25, 2021 for its consideration of the proposed wastewater rate increases. Staff prepared and sent out notices to property owners on April 5, 2021, which meets the 45-day noticing requirement for the Public Hearing. A copy of the notice (Attachment 1) is included as reference.

#### Wastewater Rate Analysis

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes and businesses, the costs involved to collect and treat wastewater have risen and continue to rise.

As part of the Wastewater Master Plan process, an independent engineering consultant, MKN, assessed and analyzed the capital needs of the wastewater collection and treatment systems. A Capital Improvement Program (CIP) was developed that identified numerous capital facility replacements and upgrades to provide a safe and reliable wastewater system. In addition to other projects, the most significant capital projects identified consist of the Water Reclamation Facility treatment process improvements totaling in excess of \$23 million, and the Lift Station No. 13 and Force Main project totaling about \$5.5 million. These projects are expected to be completed within the next five years. The CIP cost estimates exceed \$52 million over the next ten years.

Tuckfield & Associates, an independent financial consultant, completed a comprehensive wastewater rate study for the City's wastewater enterprise in May 2019. This study analyzed the City's wastewater services, wastewater enterprise revenue and revenue requirements, and current rate structure. The study also analyzed and determined the cost of providing wastewater services and their corresponding impacts to customer's bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Rising treatment and energy costs
- Impacts of regulation and legislation
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

The wastewater rate study recommends increasing the current monthly sewer service charge of \$28.57 per SFR (or EDU) by \$5.43 for a total monthly rate of \$34.00. The report further recommends similar percentile increases for each of the following years through FY23/24. The table below shows the current and proposed FY21/22 sewer service charges for the various connection user categories.

CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES				
Classification Description	EDU Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed
<b>Residential Fixed Charges</b>				
Single Family	1.00	Dwelling Unit	\$ 28.57	\$ 34.00
Apartment, Condo	0.75	Dwelling Unit	\$ 21.43	\$ 25.50
Mobile Home	0.60	Spaces	\$ 17.14	\$ 20.40
Senior Apartment Unit	0.35	Dwelling Unit	\$ 10.00	\$ 11.90
<b>Non-Residential Fixed Charges</b>				
Financial Institutions	2.00	Unit	\$ 57.14	\$ 68.00
Bars	1.50	Unit	\$ 42.86	\$ 51.00
Carwash	7.50	Unit	\$ 214.28	\$ 255.00
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 38.00	\$ 45.22
150 to 250 seats	2.66	Seats	\$ 76.00	\$ 90.44
> 250 seats	3.00	Seats	\$ 85.71	\$ 102.00
Commercial Unit	1.00	Unit	\$ 28.57	\$ 34.00
Funeral Home	9.00	Unit	\$ 257.13	\$ 306.00
Gas Station	2.00	Unit	\$ 57.14	\$ 68.00
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 228.56	\$ 272.00
Gymnasium	10.00	Unit	\$ 285.70	\$ 340.00
Laundry	9.00	Unit	\$ 257.13	\$ 306.00
Motel (per room)	0.33	Room	\$ 9.43	\$ 11.22
Office Unit	1.00	Unit	\$ 28.57	\$ 34.00
Rest Home (per bed)	0.35	Bed	\$ 10.00	\$ 11.90
Restaurants				
< 40 seats	4.00	Seats	\$ 114.28	\$ 136.00
40 to 60 seats	6.00	Seats	\$ 171.42	\$ 204.00
61 to 100 seats	8.00	Seats	\$ 228.56	\$ 272.00
> 100 seats	10.00	Seats	\$ 285.70	\$ 340.00
Schools (per student on March 1)	0.05	Student	\$1.43	\$1.70
Theater	4.00	Unit	\$ 114.28	\$ 136.00
Veterinarians	3.00	Unit	\$ 85.71	\$ 102.00
Unlisted Uses <sup>2</sup>	1.00	Unit	\$ 28.57	\$ 34.00

<sup>1</sup> Proposed Rates effective July 1, 2021

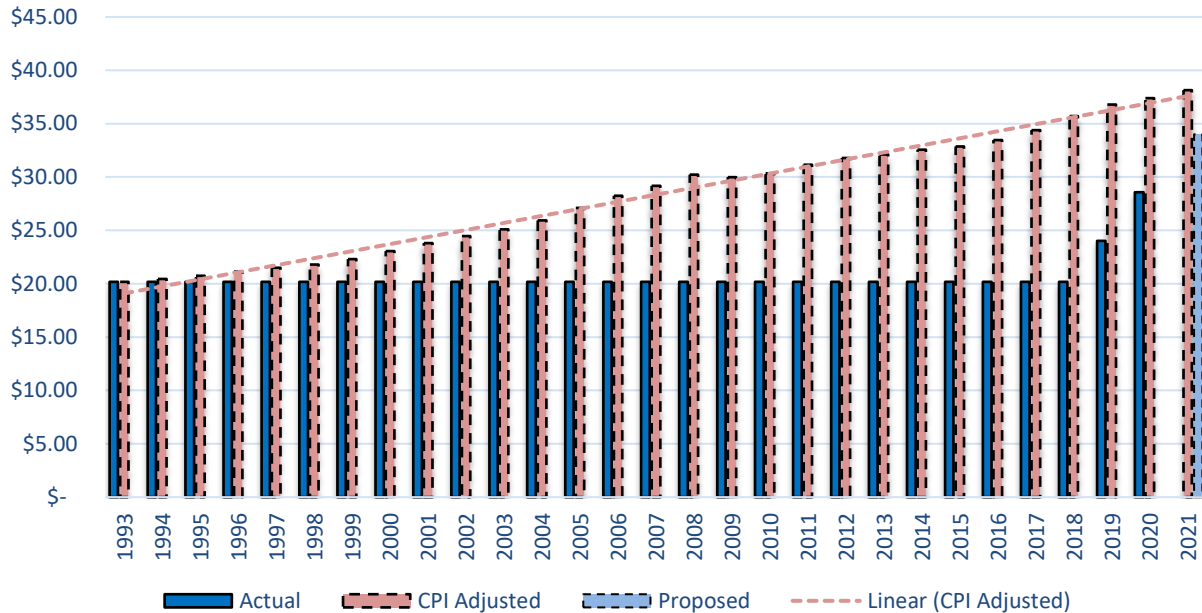
<sup>2</sup> Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

<sup>3</sup> EDU = Equivalent Dwelling Unit is the average daily flow of wastewater discharge from a single family residence (240 gallons per day).

Staff analyzed what the current SFR monthly sewer service charge would be if Consumer Price Index (CPI) values were applied each year since the last rate adjustment in 1993. Using the Los Angeles-Long Beach-Anaheim area CPI values, the CPI-adjusted monthly SFR sewer service rate would be \$37.40 on July 1, 2020, an increase of \$8.83 or 31%

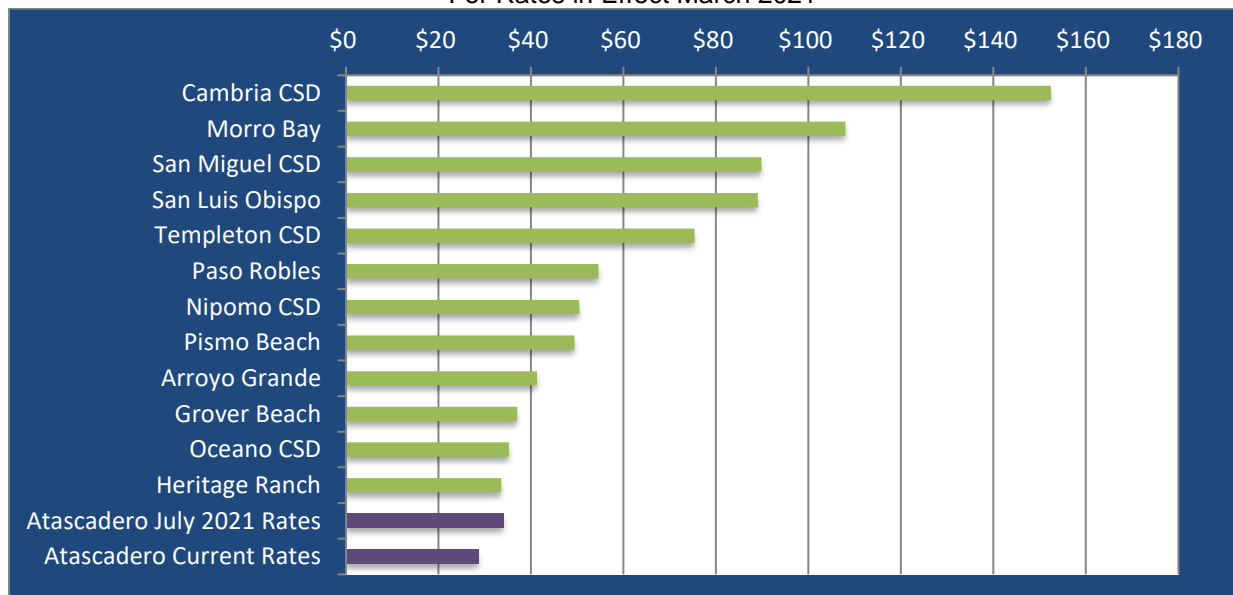
higher than the current \$28.57 rate. The following graph compares the actual and CPI-adjusted rates.

### Monthly SFR Sewer Service Charge Comparison (1993 to 2020)



Tuckfield & Associates conducted a wastewater rate survey for neighboring communities to the City of Atascadero. The rate survey includes rate schedules in effect in April 2019. The following chart compares the City's monthly sewer service charge for a SFR to those neighboring communities at the same use for rates in effect March 2021. As the chart depicts, the current and proposed FY21/22 monthly sewer service bill is among the lowest in San Luis Obispo County.

### Comparison of Single-family Residential Monthly Wastewater Bills For Rates in Effect March 2021



The study also analyzed capacity charges, or connection fees, that are one-time charges paid by new customers as a capital contribution for capacity in the wastewater system. These charges are similar to development impact fees and can be assessed to existing wastewater customers requiring increased capacity to serve changes in their development or use occupancy. The proceeds from capacity charges are a financing source for future facilities. The study recommends a capacity charge of \$5,584 per SFR (or EDU) with an annual adjustment based upon the Engineering News Record Construction Cost Index. The City Council adopted new capacity charges on September 24, 2019, which went into effect on November 23, 2019.

The City has updated the customer database and performed a full audit and inventory of all wastewater connection user classifications. The City and its consultants are coordinating with Atascadero Mutual Water Company (AMWC) and utilizing water records to complete a volumetric analysis of the water use patterns of the various groups of connection user classifications. After this process, wastewater rates are recommended to be re-evaluated and established for a four or five-year period, ideally FY22/23 through FY26/27, with built-in CPI adjustments. While the majority of this analysis has been completed, staff and its consultants are identifying impacts to existing customers and evaluating if actual water use could be utilized to establish rates.

Public Hearing Procedures/Next Steps:

The Council should open the Public Hearing and receive public comment and protests. Protests must be in writing and contain the required information below, as described in the mailed notice and Resolution 2019-033, which established procedures for the submission and tabulation of protests in connection with Proposition 218 rate hearings:

1. A statement it is a protest against the proposed rate that is the subject of the hearing.
2. Name of the property owner or record customer who is submitting the protest.
3. Identification of assessor's parcel number and/or street address of the parcel with respect to which the protest is made.
4. Original, wet signature and legibly printed name of the property owner or record customer who is submitting the protest.
5. Date the protest was signed.
6. A certification, by the named property owner affirming the contents of the protest are true and correct.

At the conclusion of the public hearing, the City Clerk shall tabulate all valid protests received, including those received prior to the conclusion of the public hearing, and shall report the result to the City Council. If the number of protests received is insufficient to constitute a majority protest, then the City Clerk may determine the absence of a majority protest without validating the protests received, but may instead deem them all valid without further examination. Further, if the number of protests received is obviously substantially fewer than the number required to constitute a majority protest, then the City Clerk may determine the absence of a majority protest without opening the envelopes which contain the protests.

If the City Clerk determines that additional time is needed to validate and tabulate the protests because the City Clerk has not made the determination described above, then the City Clerk shall so advise the City Council, which may continue the related portion of the meeting to

allow the validation and tabulation to be completed on another day or days. If so, then the City Council shall declare the time and place of tabulation, which shall be conducted in a place where interested members of the public may observe the tabulation, and the City Council shall declare the time at which the meeting shall be continued to receive and act on the tabulation report of the City Clerk.

There are 5,437 parcels connected to the sanitary sewer system and subject to the proposed rate increases. Therefore, there needs to be 2,719 or more valid protests for the majority protest to occur, whereby no proposed rate increase may be adopted. After the City Clerk determines the results of the protest process, the City Council will adopt one of two Draft Resolutions setting forth the results of the protest process. If the majority of property owners do not protest, the City Council may go forward with approving the proposed rate increases. In accordance with Title 7, Chapter 10 (7-10.001) of the Municipal Code, the sewer service rates are adopted by Resolution. To avoid confusion, the City Attorney's office recommends that the new rates are not effective for 30 days following adoption, or effective beginning July 1, 2021.

### **FISCAL IMPACT:**

If the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate, the City Council may adopt Draft Resolution A and C. Doing so will result in an estimated \$530,000 in additional revenue from sewer service charges collected in FY21/22.

### **ALTERNATIVES:**

1. If a majority protest is not received by property owners, Council has the option to reduce the proposed rate increases but may not increase the rate over that proposed.
2. Council could take no action.

### **ATTACHMENTS:**

1. Notice Concerning Proposed Wastewater Rate Increases and Public Hearing
2. Draft Resolution A Setting Forth the Results of the Protest Process (Non-Majority Protest)
3. Draft Resolution B Setting Forth the Results of the Protest Process (Majority Protest)
4. Draft Resolution C Approving Proposed Wastewater Rates Effective July 1, 2021

## NOTICE CONCERNING PROPOSED WASTEWATER INCREASES AND PUBLIC HEARING



To Property Owner/Customer:

**NOTICE IS HEREBY GIVEN** that on **Tuesday, May 25, 2021, at 6:00 p.m.**, a public hearing will be held virtually\* at the City of Atascadero Council Chambers located at 6500 Palma Avenue, Atascadero, California 93422 to consider proposed increases in wastewater rates. If approved by the City Council, the proposed rate increases will be effective for services provided on or after July 1, 2021.

### WHY ARE THE RATE CHANGES BEING CONSIDERED?

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes, the costs involved to collect and treat wastewater have risen and continue to rise. The City has only increased sanitary sewer charges twice since 1994.

### INDEPENDENT ANALYSIS

The City engaged an independent consulting engineer to assess and analyze the capital needs of the wastewater collection and treatment systems. The independent engineer identified numerous capital facility replacements and upgrades required to continue to provide a safe and reliable wastewater system. In addition to other projects, the most significant capital projects identified consist of the Water Reclamation Facility treatment process improvements totaling in excess of \$23 million and Lift Station #13 and Force Main project totaling about \$5.5 million, both projects expected to be completed within the next five years.

Additionally, the City engaged an independent financial consultant to analyze its wastewater services, revenues and rates and prepare a Wastewater Rate Study. The City commissioned this analysis to determine the cost of providing wastewater services and their corresponding impacts to customer's bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Rising treatment and energy costs
- Impacts of regulation and legislation
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

### PROPOSED WASTEWATER REVENUE INCREASES

The City proposes to increase its wastewater service charges. All wastewater customers would be charged a fixed monthly wastewater service charge in the same manner as they are currently charged. Customers of the wastewater system are charged proportionally to their wastewater flow and strength contributed to the wastewater collection and treatment facilities. Proposed wastewater service charges are provided on the following page.

### WASTEWATER MONTHLY BILL IMPACT FOR THE AVERAGE RESIDENTIAL CUSTOMER

The wastewater bill for a single-family residential customer will increase by \$5.43 per month under the proposed rates. Apartment and Condo bills will increase \$4.07 per month while Senior Apartment Units will increase by \$1.90 per month. Bills for Mobile Homes will increase \$3.26 per month. The table below provides the increase in monthly charges for residential customers.

Residential Classification	Monthly Rate		
	Current	Proposed <sup>1</sup>	Difference
Single Family	\$28.57	\$ 34.00	\$ 5.43
Apartment, Condo	\$21.43	\$ 25.50	\$ 4.07
Mobile Home	\$17.14	\$ 20.40	\$ 3.26
Senior Apartment Unit	\$10.00	\$ 11.90	\$ 1.90

<sup>1</sup> Proposed Rates effective July 1, 2021

Revenues derived from the proposed rate changes do not exceed the revenue requirements needed to provide the property-related services by the City nor will the revenues from the rates and charges referenced herein be used for any purpose other than that for which the corresponding rates are imposed. The amount of the proposed rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service(s) attributable to such parcel; and no rate will be imposed for a service unless that service is actually used by, or immediately available to, the property or customer in question.

*\*At the time of printing, it is expected that this meeting will be held virtually. Should circumstances change, allowing physical attendance at the meeting, the change will be noted on the City's website with the posting of the agenda.*

## CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES

## PUBLIC HEARING AND PROTEST PROCEEDING

Classification Description	EDU Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed <sup>1</sup>
Residential Fixed Charges				
Single Family	1.00	Dwelling Unit	\$ 28.57	\$ 34.00
Apartment, Condo	0.75	Dwelling Unit	\$ 21.43	\$ 25.50
Mobile Home	0.60	Spaces	\$ 17.14	\$ 20.40
Senior Apartment Unit	0.35	Dwelling Unit	\$ 10.00	\$ 11.90
Non-Residential Fixed Charges				
Financial Institutions	2.00	Unit	\$ 57.14	\$ 68.00
Bars	1.50	Unit	\$ 42.86	\$ 51.00
Carwash	7.50	Unit	\$214.28	\$ 255.00
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 38.00	\$ 45.22
150 to 250 seats	2.66	Seats	\$ 76.00	\$ 90.44
> 250 seats	3.00	Seats	\$ 85.71	\$ 102.00
Commercial Unit	1.00	Unit	\$ 28.57	\$ 34.00
Funeral Home	9.00	Unit	\$257.13	\$ 306.00
Gas Station	2.00	Unit	\$ 57.14	\$ 68.00
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$228.56	\$ 272.00
Gymnasium	10.00	Unit	\$285.70	\$ 340.00
Laundry	9.00	Unit	\$257.13	\$ 306.00
Motel (per room)	0.33	Room	\$ 9.43	\$ 11.22
Office Unit	1.00	Unit	\$ 28.57	\$ 34.00
Rest Home (per bed)	0.35	Bed	\$ 10.00	\$ 11.90
Restaurants				
< 40 seats	4.00	Seats	\$114.28	\$ 136.00
40 to 60 seats	6.00	Seats	\$171.42	\$ 204.00
61 to 100 seats	8.00	Seats	\$228.56	\$ 272.00
> 100 seats	10.00	Seats	\$285.70	\$ 340.00
Schools (per student on Mar. 1)	0.05	Student	\$ 1.43	\$ 1.70
Theater	4.00	Unit	\$114.28	\$ 136.00
Veterinarians	3.00	Unit	\$ 85.71	\$ 102.00
Unlisted Uses <sup>2</sup>	1.00	Unit	\$ 28.57	\$ 34.00

<sup>1</sup> Proposed Rates effective July 1, 2021

<sup>2</sup> Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

The City Council will hear and consider all written protests and oral comments to the proposed rate increases at the Public Hearing. All interested parties are invited to participate virtually in the public hearing and present written protests and/or oral comments on the proposed rate increases referenced herein. Direction and information for participating in the meeting will be available on the City Council Agenda COVID cover page. Agendas are available on the City's website at [www.atascadero.org/agendas](http://www.atascadero.org/agendas). Oral comments made at the public hearing will not qualify as formal protests of the proposed rate increases unless accompanied by a written protest setting forth the required information (as detailed below). Upon the conclusion of the Public Hearing, the City Council will consider adoption of a resolution authorizing the rate increases to the City's wastewater service charges as described in this Notice. If written protests against the proposed rate increases and adjustments to the wastewater rates as outlined below are not presented by a majority of property owners of the identified parcels upon which the wastewater rates are proposed to be

imposed, the City Council will be authorized to impose the respective rate increases and adjustments. If adopted, the proposed rate increases to the wastewater service charges will be in effect beginning July 1, 2021. Pursuant to State law, written protests may be submitted by any record property owner of a parcel, subject to the proposed City rate changes, against any or all of the proposed rate changes described in this Notice. However, only one written protest will be counted per identified parcel. Any written protest must: (1) state that the identified property owner is in opposition to the proposed increases to the wastewater rates; (2) provide the location of the identified parcel (by street address or assessor's parcel number (APN)); (3) include the printed name and original, wet signature of the property owner submitting the protest; (4) date the protest was signed; and (5) certification by the named property owner that the contents of the protest are true and correct. Written protests may be submitted by mail or in person to the City Clerk at 6500 Palma Avenue, Atascadero, CA 93422, or at the Public Hearing on May 25, 2021 (date, time, and location specified on the front of this Notice), provided they are received prior to the close of the Public Hearing, which will occur when the public testimony on the proposed increases and adjustments is concluded. Due to the inability to verify the authenticity of each individual protest, protests received by telephone, electronic mail (e-mail), or via social media sites, including, but not limited to, Facebook or Twitter shall **NOT** be accepted. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to the City Clerk, the following: "Attn: Protest Wastewater Rate Increases". Written protest in marked envelopes may be submitted in person by dropping them off in the locked box in the foyer at City Hall.

For more information or questions about the proposed wastewater rate increases, written protest submittal procedures, or public testimony options at the Public Hearing, you may contact the Department of Public Works at (805) 470-3456 or visit the City's website at [www.atascadero.org](http://www.atascadero.org). The City's Wastewater Rate Study and protest procedures will be available on the City's website not later than the week of April 5, 2021.

**ESTA CARTA ESTÁ DISPONIBLE EN ESPAÑOL, LLAME A TESS RAMIREZ (805) 470-3486**

**DRAFT RESOLUTION A**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
ATASCADERO, CALIFORNIA, SETTING FORTH THE RESULTS OF  
PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE  
HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF  
PROPOSITION 218**

**WHEREAS**, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

**WHEREAS**, the City Council adopted Resolution No. 2019-033 establishing procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements set forth in Article XIID of the California Constitution to help ensure that the rights of those persons that are authorized to protest service charges are preserved; and

**WHEREAS**, a Wastewater Rate Study was prepared for the City of Atascadero's Wastewater Enterprise and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

**WHEREAS**, the City Council reviewed the Wastewater Rate Study at their regular meeting on March 23, 2021 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for May 25, 2021 to consider proposed wastewater rate increases; and

**WHEREAS**, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

**WHEREAS**, the City Council conducted a Public Hearing for proposed wastewater rates on May 25, 2021 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

**WHEREAS**, the City Clerk has tabulated all valid protests received by the conclusion of the May 25, 2021 Public Hearing and has determined that the number of valid protests received is insufficient to constitute a majority protest (50% plus 1).

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1: Recitals.** The above recitals are true and correct and are hereby incorporated by reference.

**SECTION 2: Protest Votes.** The number of unique parcels eligible to file a protest was 5,437. The number of valid protests required to prevent adoption of the proposed rate increases is 2,719. The number of valid protests received by the City at the end of the May 25, 2021 Public Hearing was \_\_\_\_\_.



**SECTION 3: Results of Protests.** The tabulation by the City Clerk of the number of valid protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is a insufficient number of valid protests received to constitute a majority protest to the proposed wastewater rates, whereby allowing the consideration to adopt proposed wastewater rates.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_day of \_\_\_\_, 2021.

On motion by \_\_\_\_\_ and seconded by \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

**DRAFT RESOLUTION B**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
ATASCADERO, CALIFORNIA, SETTING FORTH THE RESULTS OF  
PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE  
HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF  
PROPOSITION 218**

**WHEREAS**, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

**WHEREAS**, the City Council adopted Resolution No. 2019-033 establishing procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements set forth in Article XIID of the California Constitution to help ensure that the rights of those persons that are authorized to protest service charges are preserved; and

**WHEREAS**, a Wastewater Rate Study was prepared for the City of Atascadero's Wastewater Enterprise and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

**WHEREAS**, the City Council reviewed the Wastewater Rate Study at their regular meeting on March 23, 2021 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for May 25, 2021 to consider proposed wastewater rate increases; and

**WHEREAS**, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

**WHEREAS**, the City Council conducted a Public Hearing for proposed wastewater rates on May 25, 2021 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

**WHEREAS**, the City Clerk has tabulated all valid protests received by the conclusion of the May 25, 2021 Public Hearing and has determined that the number of valid protests received is sufficient to constitute a majority protest (50% plus 1).

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1: Recitals.** The above recitals are true and correct and are hereby incorporated by reference.

**SECTION 2: Protest Votes.** The number of unique parcels eligible to file a protest was 5,437. The number of valid protests required to prevent adoption of the proposed rate increases is 2,719. The number of valid protests received by the City at the end of the May 25, 2021 Public Hearing was \_\_\_\_\_.

**SECTION 3: Results of Protests.** The tabulation by the City Clerk of the number of valid protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is a sufficient number of valid protests received to constitute a majority protest to the proposed wastewater rates, whereby disallowing the consideration to adopt proposed wastewater rates.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_day of \_\_\_\_, 2021.

On motion by \_\_\_\_\_ and seconded by \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

**DRAFT RESOLUTION C**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
ATASCADERO, CALIFORNIA, ESTABLISHING WASTEWATER RATES  
(SEWER SERVICE CHARGES) FOR THE WASTEWATER DIVISION**

**WHEREAS**, the City of Atascadero owns and operates a municipal wastewater collection and treatment system for the safe and reliable disposal of wastewater in accordance with applicable regulations; and

**WHEREAS**, the City of Atascadero levies and imposes a monthly sewer service charge, as provided by resolution of the City Council, upon the property owners of any parcels or premises within the City that has any sewer connection or discharges wastewater to the municipal wastewater collection and treatment system; and

**WHEREAS**, a Wastewater Rate Study was prepared by Tuckfield & Associates for the City of Atascadero's Wastewater Division that recommends increases to wastewater rates (sewer service charges) to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

**WHEREAS**, the City Council reviewed the Wastewater Rate Study at their regular meeting on March 23, 2021 and set a Public Hearing for May 25, 2021 to consider proposed wastewater rate increases; and

**WHEREAS**, the City Council conducted a Public Hearing for proposed wastewater rates on May 25, 2021 to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

**WHEREAS**, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

**WHEREAS**, the City Clerk tabulated all valid protests received by the conclusion of the May 25, 2021 Public Hearing and has determined that the number of valid protests received is insufficient to constitute a majority protest (50% plus 1); and

**WHEREAS**, the City Council accepted the City Clerk's tabulation by Resolution No. 2021-\_\_\_ at the May 25, 2021 Public Hearing which sets forth that the protest results conclude that there was an insufficient number of valid protest received to constitute a majority protest to the proposed wastewater rates, whereby allowing the consideration to adopt proposed wastewater rates.

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1: Recitals.** The above recitals are true and correct and are hereby incorporated by reference.

**SECTION 2: Sewer Service Charges Established.** The Proposed Sewer Service Charges as set forth in Exhibit A, attached hereto and incorporated herein by this reference, are hereby approved and shall become effective thirty (30) days from adoption on June 24, 2021.

**SECTION 3:** Previous resolutions establishing Sewer Service Charges are superseded upon the effective date of the Sewer Service Charges as established in Section 2 above, and are hereby rescinded and rendered moot.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_\_day of \_\_\_, 2021.

On motion by \_\_\_\_\_ and seconded by \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

**EXHIBIT A**

<b>CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES</b>				
Classification Description	EDU Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed
<b>Residential Fixed Charges</b>				
Single Family	1.00	Dwelling Unit	\$ 28.57	\$ 34.00
Apartment, Condo	0.75	Dwelling Unit	\$ 21.43	\$ 25.50
Mobile Home	0.60	Spaces	\$ 17.14	\$ 20.40
Senior Apartment Unit	0.35	Dwelling Unit	\$ 10.00	\$ 11.90
<b>Non-Residential Fixed Charges</b>				
Financial Institutions	2.00	Unit	\$ 57.14	\$ 68.00
Bars	1.50	Unit	\$ 42.86	\$ 51.00
Carwash	7.50	Unit	\$ 214.28	\$ 255.00
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 38.00	\$ 45.22
150 to 250 seats	2.66	Seats	\$ 76.00	\$ 90.44
> 250 seats	3.00	Seats	\$ 85.71	\$ 102.00
Commercial Unit	1.00	Unit	\$ 28.57	\$ 34.00
Funeral Home	9.00	Unit	\$ 257.13	\$ 306.00
Gas Station	2.00	Unit	\$ 57.14	\$ 68.00
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 228.56	\$ 272.00
Gymnasium	10.00	Unit	\$ 285.70	\$ 340.00
Laundry	9.00	Unit	\$ 257.13	\$ 306.00
Motel (per room)	0.33	Room	\$ 9.43	\$ 11.22
Office Unit	1.00	Unit	\$ 28.57	\$ 34.00
Rest Home (per bed)	0.35	Bed	\$ 10.00	\$ 11.90
Restaurants				
< 40 seats	4.00	Seats	\$ 114.28	\$ 136.00
40 to 60 seats	6.00	Seats	\$ 171.42	\$ 204.00
61 to 100 seats	8.00	Seats	\$ 228.56	\$ 272.00
> 100 seats	10.00	Seats	\$ 285.70	\$ 340.00
Schools (per student on Mar. 1)	0.05	Student	\$1.43	\$1.70
Theater	4.00	Unit	\$ 114.28	\$ 136.00
Veterinarians	3.00	Unit	\$ 85.71	\$ 102.00
Unlisted Uses <sup>2</sup>	1.00	Unit	\$ 28.57	\$ 34.00

<sup>1</sup> Proposed Rates effective July 1, 2021

<sup>2</sup> Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

<sup>3</sup> EDU = Equivalent Dwelling Unit is the average daily flow of wastewater discharge from a single family residence (240 gallons per day).



# ***Atascadero City Council***

## ***Staff Report - Community Development Department***

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### **Title 9 Chapter 17 (Cannabis Activities & Regulations) Municipal Code Amendments to Add Non-Storefront Cannabis Delivery Services and Security Provisions (CPP20-0011)**

#### **RECOMMENDATIONS:**

Council:

1. Introduce for first reading, by title only, Draft Ordinance A amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, based on findings.

**OR**

2. Introduce for first reading, by title only, Draft Ordinance B, amending Atascadero Municipal Code Title 9 Chapter 17 (Cannabis Activities & Regulations) and determining this Ordinance is exempt from review under the California Environmental Quality Act, which includes amendment suggestions discussed by the Planning Commission.

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

In May of 2020, the City Council gave direction to staff to examine the options for an update to the City's Cannabis Regulations with the addition of commercial cannabis business types. Over the past year, staff has presented information to Council to assess the possibility and impact of allowing additional commercial cannabis business types in the City. Based on this analysis and Council discussion, staff is suggesting minor modifications to Title 9 Chapter 17 of the Municipal Code to allow for non-storefront Cannabis retail businesses (delivery) to locate in the City of Atascadero with the approval of a Conditional Use Permit (CUP). The Planning Commission reviewed the proposed amendments on April 20, 2021 and voted 3-2 in favor of the amendments, however the resolution did not pass since Government Code (36936) requires a majority of the entire hearing body (at least four members) to vote for an action that involves a resolution. Two of the commissioners were absent on April 20. However, the item can move forward to the City Council for action, since a resolution from the Planning Commission is not

required on this item and the Council is authorized to take final action on Municipal Code amendments. Attachment A includes a draft of the amendments to Title 9 Chapter 17 as suggested by staff. Attachment B includes a draft of the amendments as suggested by staff, but also including amendments suggested by the Planning Commission as part of their “motion”. Those changes include relaxing background check requirements for Cannabis business employees, and requiring a backup power source to keep security measures in place in the event of a power failure.

## **DISCUSSION:**

### Background

In 2017, the City adopted an Ordinance amending the Zoning Code, (Atascadero Municipal Code Title 9 Chapter 17), to implement changes in State law regarding Cannabis. At that time, the City held extensive outreach meetings and considered all categories of Cannabis business and personal uses. The existing Ordinance focused on personal use and personal cultivation standards and allows for Cannabis testing labs to establish in the City. Since that date, the industry has continued to change while State laws have continued to be refined. In accordance with State law, the City is required to allow retail Cannabis delivery services to operate within the City; however, the City is not required to allow such businesses to base their operations within the City. At this time Cannabis deliveries are taking place, but from commercial locations outside of the City. Due to the location of these businesses, the City is not receiving a portion of the sales tax revenue; however, the City still receives the Cannabis tax revenue.

During recent discussions at the City Council strategic planning meetings, Council asked staff to provide additional analysis regarding the City’s Cannabis Ordinance to evaluate options for additional commercial Cannabis uses in the City.

In November 2020, the Atascadero City Council analyzed the following commercial Cannabis land uses for their potential in the City:

- Commercial cultivation (Indoor)
- Cannabis manufacturing (non-volatile materials)
- Distribution centers

The City Council considered the potential demand, land use impacts, and potential benefits of these land uses, and decided to not move forward with including these land uses in the City zoning policies at this time. However, the City Council gave direction to staff to proceed with draft amendments to the City’s zoning code to allow non-storefront delivery business through the consideration of a conditional use permit. These businesses are not allowed to have customer visitation and would be required to obtain a State Bureau of Cannabis Control (BCC) License Type 9 (non-storefront retailer) to locate with a physical address within the City (see Attachment 3, non storefront cannabis retailer fact sheet). This amendment would simply allow these existing delivery services to establish a non-retail office and commercial address within the City. Staff has consulted with the City’s Police Chief to review draft changes and ensure appropriate security protocol review during the Cannabis business application process.



Some of the suggested security provisions include:

- Security cameras that can be accessed by the City Police Department upon request
- Enclosed areas (within a roll up door) where a delivery vehicle can park and secure cash and retail delivery items within the enclosed area which is not visible to the public.
- On-site Security guard during all business hours

### Analysis

The City currently allows testing facilities as the only commercial Cannabis use to be located within the City. Currently, there are no testing facilities that have chosen to locate in the City. The proposed amendments in both Draft Ordinances (Attachment 1) would allow delivery businesses that have a BCC Type 9 license to operate out of an office or other commercial building in the City of Atascadero. The State calls the premises of these businesses “Cannabis Retailer (Non- Storefront)”. These delivery businesses are permitted to sell Cannabis goods exclusively through delivery. Delivery is typically handled by a driver that is dispatched to residential locations within the City. These businesses utilize a commercial location to store the product, base their deliveries and generally operate their business. The premises of a non-storefront retailer are not open to the public and can be subject to additional security and operations requirements.

### *Zoning Ordinance Changes for Delivery Uses*

The amendments to Title 9, Chapter 17 of the Municipal Code (Attachment 1) will make changes to the City’s zoning code to allow for a delivery business to conditionally operate in the City. With approval of a CUP, the code proposes to establish this land use in the Industrial (I), Commercial Professional (CP), Commercial Retail (CR), Commercial Service (CS), and Commercial Park Zone (CPK) zones. Additionally, the Ordinance amendments will ensure that delivery businesses are subject to specific conditions through a review process that can help ensure mitigation of community impacts and to ensure appropriate security measures are incorporated. In addition to the CUP process, delivery (also termed Type 9 Businesses by the State) will also be subject to the following:

- Community Benefit Agreement: May include a program or compensation to be given to a community to mitigate the potential impacts of a commercial Cannabis business.
- Annual Review and Permit Fee: Will allow for annual review of all items submitted for a commercial Cannabis CUP.

The following list is an example of considerations and requirements that will be incorporated into any use permit for a Cannabis delivery service land use:

1. Distance requirements between land uses. Any commercial Cannabis use, including a delivery facility, is prohibited within 600 feet from schools, parks, daycare, youth centers, and related land uses in accordance with State law.
2. Performance criteria for any Cannabis delivery businesses may include:
  - a. Indemnification Form/Agreement

- b. Security and Operations Plan. It is recommended that all Cannabis businesses in the City be required to submit a Security Operations Plan. This is typical of Cannabis permitting in adjacent cities and is included in the application for CUP for Cannabis business licenses. This will include a 24-hour video surveillance system accessible to the City.
- c. Signage Plan (no exterior signs that identify the business name or product will be allowed on a delivery office site)
- d. Employee Safety and Training Plan
- e. City Tax and Fee Payment Plan
- f. Vicinity Map showing distance to closest sensitive land uses.
- g. Community Benefit Agreement to include a program or compensation to be given to the community to mitigate the potential impacts of Cannabis business.
- h. Additional conditions of approval to be established through the Conditional Use Permit process

#### Other Ordinance Changes

City staff is recommending a change that will allow the City to issue a Cannabis Operating License to any cannabis business that operates within the City, whether or not they are located within the City. Currently, there are eight or more delivery businesses that operate in Atascadero but are based elsewhere. At this time, these businesses need a business license to operate in the City. However, this license process should be accompanied by a specific Cannabis Operating License process to allow the City to prescribe a list of performance standards that are specific to Cannabis land uses. The Cannabis Operating License would allow the City to more closely regulate out of town businesses to ensure compliance with City Policy, State law, and to assist in the collection of tax revenue. If a particular business does not follow State or local policy, or are reluctant to provide regular tax payments to the City, the permit process would allow the City to have an additional enforcement mechanism to regulate these businesses. A Cannabis Operating License would not require additional City review in the form of a hearing, but would simply be an additional form that would be handled in conjunction with the City business license at the Community Development Department.

At the April 20, 2021 Planning Commission meeting, Commissioners suggested the following changes be incorporated to the zoning update. These changes are **not** included in Draft Ordinance A but **are** included in Draft Ordinance B for City Council consideration:

1. The Commission asked to revise language in Section 9-17.009 Section 8(i) to allow for greater flexibility on the requirement for employees to have an extensive background check. Currently, the City's code requires that a background check be provided for all employees, demonstrating that they do not have a criminal history. The Planning Commission recommends that this section be amended to remove misdemeanor language, while remaining consistent with State law as follows:

#### Existing Section:

- *9-17.009 8(i): No person who is currently charged with or has been convicted within the previous ten years of a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled*

*substance, shall be an owner, corporate officer, partner, manager, employee, or volunteer of a cannabis testing facility permitted under this chapter. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere or no contest.*

Potential Language:

- 9-17.009 8(i): *All owners, corporate officers, partners, managers, employees, or volunteers of a cannabis facility permitted under this chapter shall comply with background criminal history requirements under state law. No person who is currently charged with or has been convicted within the previous ten years of a felony involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance shall be employed by a cannabis business in the City.*
2. The Commission asked that each cannabis business with a physical location in the City have a backup generator that will allow security operations to continue in the case of a power outage. This language is not included in the proposed text amendment in Draft Ordinance A, but the language is included in Draft Ordinance B.
  3. The Commission requested that the code be modified for consistency with State law regarding the buffering of Cannabis uses from sensitive land uses. State law requires this buffer for schools, day care centers, and youth centers. Both drafts of the proposed amendments include the modified language.

Proposed Environmental Determination

The California Environmental Quality Act (CEQA) (Section 15061.(3), (b)) exempts activities which are covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. The proposed text amendment will not have any significant adverse environmental impacts.

Conclusion

A delivery business is expected to be similar to other existing small-scale commercial and office uses in the City. Staff does not expect significant community impacts since there is no on-site retail component and relatively low quantities of product and cash stored at each site, and the City of Atascadero Police Department has also provided input on safety and security measures. The enhanced CUP and review process for Type 9 businesses will help ensure that any potential impacts are mitigated, while providing an opportunity to review each proposal for compliance with City development standards. Additionally, the CUP process and Design Review Committee review will ensure neighborhood compatibility.

**FISCAL IMPACT:**

Staff expects minimal fiscal impact from the adoption of the proposed Title 9 Chapter 17 Cannabis text amendments and full cost recovery for review of commercial Cannabis businesses projects. Additionally, the allowance of the additional use has the potential to increase tax revenue generation for the City.

## **ALTERNATIVES:**

1. The City Council may make minor modifications to the text amendments.
2. The City Council may determine that more information is needed and may refer the item back to staff to develop the additional information. The Council should clearly state the type of information that is required and move to continue the item to a future date.
3. The City Council may deny the proposed text amendments and zoning map change. The Council should specify the reasons for denial of the project and recommend an associated finding with such action.

## **ATTACHMENTS:**

1. Draft Ordinance A
2. Draft Ordinance B
3. Fact Sheets from Bureau of Cannabis Control State Licensing regarding non-retail delivery services

**DRAFT ORDINANCE A**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING THE ATASCADERO MUNICIPAL CODE TITLE 9, CHAPTER 17 (CANNABIS ACTIVITIES & REGULATIONS) AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**WHEREAS**, an application has been received from the City of Atascadero to amend Title 9, Planning and Zoning, to implement provisions of the Medicinal and Adult Use of Cannabis Regulation and Safety Act (MAUCRSA) for new regulations pertaining to cannabis regulations within the City of Atascadero; and

**WHEREAS**, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA), have been adhered to; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject Zone Text Change application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said zoning text amendments; and

**WHEREAS**, the Planning Commission of the City of Atascadero, at a Public Hearing held on April 20, 2021, studied and considered the proposed zone text amendments to the Title 9 Chapter 17; and

**WHEREAS**, the City Council of the City of Atascadero, at a Public Hearing held on May 11, 2021, studied the Planning Commission's discussion and recommend edits in the failed 3-2 motion of the Commission and considered the proposed zoning text 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, in a regular session assembled on May 25, 2021, resolved to introduce for first reading, by title only, an Ordinance that would amend Title 9 Chapter 17 Cannabis Activities and Regulations as shown in Exhibit A, attached hereto and incorporated herein by this reference.

**SECTION 3. Facts and Findings.** The City Council makes the following findings, determinations and approvals with respect to the Zone Text Amendment:

**A. Findings for Approval of a Zone Text Change**

FINDING: (i) The Title 9 Chapter 17 text amendment is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent and policies of the adopted General Plan.

FINDING: (ii) This Amendment of Title 9 Chapter 17 will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development in accordance with the adopted General Plan for the compatible use of the property based on neighborhood characteristics.

FINDING: (iii) The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

**SECTION 4. CEQA.** The proposed zoning text change is 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.** Atascadero Municipal Code Title 9 Planning & Zoning Chapter 17 is amended 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.** Repealing of any provision of the Atascadero Municipal Code 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 Atascadero Municipal Code or other City Ordinance by this Ordinance will be rendered void and cause such previous Atascadero Municipal Code 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 May 25, 2021, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on \_\_\_\_\_.

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

## Chapter 17 Cannabis Activities & Regulations

### 9-17.001 Title.

This chapter shall be known as the cannabis regulations of the City of Atascadero. (Ord. 612 § 2, 2017)

### 9-17.002 Purpose and intent.

(a) **Purpose.** It is the purpose and intent of this chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) and to provide access to adult-use of cannabis for persons over the age of twenty-one (21) as authorized by “Proposition 64” passed by California voters in 2016, while imposing sensible reasonable regulations on the use of land to protect the City’s residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this chapter to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution and transportation of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety and welfare of the residents of Atascadero and to enforce rules and regulations consistent with State law.

(b) **Non-Conflicting Enactment.** Nothing in this chapter is intended to authorize the possession, use or provision of cannabis for purposes that violate State or Federal law.

(c) **Additional Provisions.** The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approval required under State, County, or other law. (Ord. 612 § 2, 2017)

### 9-17.003 Definitions.

For the purposes of this chapter, the following definitions shall apply.

(a) **Accessory Structure.** An accessory structure is a detached structure, with a “u” occupancy that is accessory to and subordinate to the primary residential use.

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

(c) **Cannabis Canopy.** All areas occupied by any portion of a cannabis plant, encompassing all vertical planes (i.e., stacking of plants), whether contiguous or noncontiguous on any one (1) site. “Cannabis canopy” shall be measured by taking the longest length and widest width of existing plants (including all gaps and open areas between plants) and multiplying the length and width to get square footage.



(d) **Cannabis Greenhouse.** A fully enclosed permanent structure that is clad in transparent material. Cannabis cultivation within an enclosed, non-transparent greenhouse is considered indoor cultivation.

(e) **Cannabis Hoop Structure.** A readily removable plastic covered hoop structure without in-ground footings or foundations, which are not more than twelve (12) feet in height and do not have vertical sides that exceed four (4) feet in height. Cannabis hoop structures are accessory uses on residential land use categories which shall not exceed one hundred twenty (120) square-feet. Cannabis cultivation within hoop structures is considered outdoor cultivation.

~~(f)~~ **Cannabis Operating license.** An annual cannabis operating license as may be required by the City of Atascadero pursuant to Title 3 of this code to operate a commercial activity within the City whether the business is located within the City or not.

~~(g)~~ (g) **Cannabis Testing Facility.** A facility, entity, or site that offers or performs testing of cannabis or cannabis products and that is both accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state, and registered with and licensed by the California State Department of Public Health.

~~(h)~~ (h) **Commercial Cannabis Activity.** “Commercial cannabis activity” shall have the meaning set forth in Business and Professions Code Section 26001(k), which includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or cannabis products as provided in MAUCRSA (Business and Professions Code Section 26000 et seq.) and for which a state license is required. Commercial cannabis activity shall also include the sale or distribution of cannabis and/or cannabis products, in exchange for compensation in any form, for medicinal purposes under Health and Safety Code Sections 11362.5 and 11362.7 et seq.

~~(i)~~ (i) **Cultivation.** “Cultivation” shall have the meaning set forth in Business and Professions Code Section 26001(l), which includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

~~(j)~~ (j) **Day Care Center.** “Day care center” shall have the same meaning as Health and Safety Code Section 1596.76, which means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers.

~~(k)~~ (k) **Fully Enclosed Structure.** A fully enclosed space within a building or separate structure that complies with the California Building Code (CBC), as adopted by the City of Atascadero, or if exempt from the permit requirements of the CBC, that has a complete roof, foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, and non-transparent walls on all sides.

~~(l)~~ (l) **Indoor Cultivation.** Cultivation, as defined in subsection (h), of this section, within a fully enclosed structure, as defined in subsection (j) of this section.

~~(m)~~ (m) **Outdoor Cultivation.** Any location within the City of Atascadero that is not within a fully enclosed structure, or cannabis green house, as defined in subsection (d) of this section.

~~(n)~~ (n) **Personal Cultivation.** Cultivation of cannabis at a private residence, as defined by subsection (n) of this section, for non-commercial cannabis activities, which is defined in subsection (g).

~~(o)~~ (o) **Private Residence.** A house, apartment unit, mobile unit, or other similar dwelling unit that is legally permitted within the City of Atascadero, and is considered a residential occupancy type in the California Building Code, as adopted by the City of Atascadero.

~~(p)~~ (p) **Retail Cannabis Delivery Center.** A “retail cannabis delivery center” is a facility from which deliveries of cannabis and/or cannabis products originate pursuant to orders placed by customers inside and/or outside the City

**Retail Non-Storefront Facility.** A “retail non-storefront facility” is a commercial cannabis facility that operates out of a state and City licensed commercial business location which sells cannabis goods to customers exclusively through delivery with no on-site customer services of any kind.

**(p) (q) School.** A private or public educational facility providing instruction in kindergarten or grades 1 through 12.

**(p) (r) State Cannabis Laws.** “State Cannabis Laws” shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all State regulations adopted pursuant to MAUCRSA; and all other applicable laws of the State of California.

**(p) (s) Youth Center.** “Youth center” shall have the same meaning as Health and Safety Code Section 11353.1, which includes any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities. (Ord. 612 § 2, 2017)

#### **9-17.004 Personal cannabis cultivation.**

The following regulations pertain to the personal cultivation of cannabis.

(a) All cannabis cultivation is prohibited within the City except that no more than six (6) living cannabis plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one (1) time. In no instance may personal cultivation occur on vacant property.

(b) Indoor Cultivation Regulations. Indoor cultivation on residential properties is subject to the following regulations:

(1) Indoor cannabis cultivation shall only occur inside a private residence or an accessory structure to a private residence that is fully enclosed and secured against unauthorized entry.

(2) Sleeping Rooms within Residential Occupancies. Indoor cultivation may not occur inside rooms designed for sleeping. Sleeping rooms are defined by the California Building Code for residential occupancies.

(c) Outdoor Cultivation. Outdoor cultivation on residential properties is subject to the following regulations:

(1) Visibility. Outdoor cannabis cultivation shall not be visible from public rights-of-way or neighboring properties.

(2) Screening. Outdoor cannabis cultivation must be completely screened with permanent fencing and/or landscaping. Fencing must be compatible with the neighborhood and be constructed of wood pickets, block, or other typical fencing materials.

(3) Prohibited Fence Types. Electrical fencing, razor wire fencing, chain link fencing, barbwire, plywood and other unfinished materials; shade cloth, plastic, plywood, OSB and other temporary screening materials shall not be allowed.

(4) Fencing Height. Fencing for screening of outdoor cannabis cultivation must not exceed seven (7) feet in height, measured from natural grade. Additional plastic or other materials attached, suspended, or supported beyond the seven (7) foot height limitation shall be prohibited.

(d) Setbacks. Personal cannabis cultivation shall be subject to the following setback requirements:

(1) Property line. Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located fifteen (15) feet or more from the edge of property lines.

(2) Distance from Adjacent Residences. Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located twenty-five (25) feet or more from the nearest adjacent residence.

(3) Front Setback. No cannabis cultivation may occur within a designated front setback as defined in Section 9-4.106 of this title.

(e) Total Coverage of Personal Cannabis Cultivation.

(1) Indoor Cannabis Cultivation. Indoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of indoor residential space.

(2) Outdoor Cannabis Cultivation. Outdoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of cannabis canopy coverage.

(f) Property Owner Consent. Where a private residence is not occupied or inhabited by the owner of the residence, the owner of the property must provide written consent expressly allowing cannabis cultivation to occur at said private residence.

(g) Applicability of Adopted Building Codes. All personal cannabis cultivation at a private residence shall comply with applicable Building Code requirements set forth in the Atascadero Municipal Code Title 8.

(h) Use of Solvents. There shall be no use of gas products (CO<sub>2</sub>, butane, propane, natural gas, etc.) on a property for purposes of cannabis cultivation.

(i) Waste Disposal. The following regulations apply to the disposal of cannabis waste on residential property:

(1) Cannabis and cannabis infused products must be disposed in a secure waste receptacle located on the residential property.

(2) Cannabis plants and products must be rendered unusable and unrecognizable by grinding and incorporating cannabis waste with any non-consumable solid waste with a resulting mixture of at least fifty percent (50%) non-cannabis waste. (Ord. 612 § 2, 2017)

#### **9-17.005 Commercial cannabis activities.**

All commercial cannabis activities are prohibited unless specifically allowed in this Table 17-1. It is unlawful for any person to commence, operate, engage in, to conduct, or carry on (or to permit to be commenced, operated, engaged in, conducted or carried on) in or upon any property located within the City, a commercial cannabis activity unless that person does so in strict compliance with State Cannabis Laws, this section, and all applicable Municipal Code provisions.

**Business License Tax Certificate and Payment of Cannabis Business Tax Required. No person shall** commence, operate, engage in, conduct, or carry on **a commercial cannabis activity**, whether doing so from a fixed location in the City or coming into the City from an outside location to engage in such activities, **without obtaining and continuously maintaining a business license tax certificate pursuant to Title 3, Chapter 18 of this code (Cannabis Business Taxes) and remitting timely payments of applicable taxes pursuant to Title 3, Chapter 18 of this code.**

(a) Table 17-1 identifies the uses of commercial cannabis activities that are permitted in non-residential districts, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. All other commercial cannabis uses not otherwise lists in Table 17-1 shall be prohibited.

**Table 17-1 – Commercial Cannabis Use Table**

Allowed Land Uses and Permit Requirements	A Allowed Use, Zoning Clearance Required									
	CUP Conditional Use Permit Required									
	AUP Administrative Use Permit Required									
	□ Not Permitted									
Non-Residential Zones										
Use	Permitted Uses By Zones									
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I
<b>Commercial Cannabis Activity</b>										
Testing Facility		CUP	CUP	AUP		AUP			AUP	AUP
<u>Retail Non-storefront Facility</u>		<u>CUP</u>	<u>CUP</u>	<u>CUP</u>		<u>CUP</u>		<u>CUP</u>		<u>CUP</u>

(Ord. 612 § 2, 2017)

#### **9-17.006 Commercial cannabis activities development standards.**

- (a) The following are development standards for permitted commercial cannabis activities:
- (1) On-Site Sales. Retail or wholesale sales to the public are prohibited.
  - (2) Distance. Commercial Cannabis activities shall be prohibited within six hundred (600) feet of schools, parks, ~~and~~ youth centers, ~~or day care centers.~~ All distances specified in this section shall be measured in a straight line, without regard to intervening structures or topography, from the nearest point of the building or structure in which the commercial cannabis activity is, or will be located, to the nearest property line of the parcel where such use is located. If the commercial cannabis activity is, or will be located, in a multi-unit building, the distances shall be measured from the nearest point of the suite in which the cannabis business is or will be located.
  - (3) Signage. On-site signage for a commercial cannabis activity that is viewable from the exterior of the premises shall comply with all local signage laws applicable to the permitted and licensed premises, including Chapters 9-15 of this Code. Signage may not be designed to appeal to children, or contain any false or misleading statements, or make any misrepresentations.
- (b) Cannabis Deliveries. The following standards apply to licensed, permitted retail non-storefront facilities: ~~located outside the incorporated City limits of the City of Atascadero:~~
- (1) Deliveries within Incorporated City Limits. State-licensed retail non-storefront facilities ~~located outside the City~~ may personally deliver cannabis and cannabis products to individuals located at private residences within the City, provided that such deliveries are in strict compliance with State ~~and City~~ Cannabis Laws and the Municipal Code and said retailer has obtained a business license tax certificate, is paying the applicable business license tax under Municipal Code Chapter 3-5, and is paying the

applicable cannabis business tax under Title 3 Chapter 18 of this title (Cannabis Business Tax). All other deliveries of cannabis and/or cannabis products are prohibited.

(2) Vehicle Advertising. Vehicles used in the delivery process must be unmarked without any designation or logo that identifies the vehicle as a cannabis delivery vehicle.

~~—(3) Delivery Times. A licensed retailer may only engage in deliveries between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.~~

#### **9-17.007 Commercial cannabis application and procedures.**

(a) Application Requirements. Any person applying for an AUP or CUP for a licensed, permitted commercial cannabis facility activity, as allowed under this chapter, must submit the following information with their application:

(1) The name of the proposed commercial cannabis ~~testing activity~~ including, if applicable, the name on file with the California Secretary of State and any fictitious business names and/or DBAs.

(2) The location of the proposed commercial cannabis ~~cannabis testing~~ facility activity (must comply with the zoning and location restrictions set forth above).

(3) The names, addresses, and contact information for each owner of the proposed ~~cannabis testing facility~~ commercial cannabis activity.

(4) If the proposed commercial cannabis ~~cannabis testing facility activity~~ is incorporated, the names, titles, addresses, and contact information of each corporate officer, the name, address, and contact information of the agent for service of process, a certified copy of the articles of incorporation, and copy of the bylaws.

(5) If the proposed commercial cannabis ~~cannabis testing activity facility~~ is a partnership, the names, addresses, and contact information for each partner and the agent for service of process.

(6) The name and contact information for each manager of a proposed commercial cannabis business, establishment, or facility. If such information is not available at the time the application is submitted, the proposed commercial cannabis business, establishment, or facility shall submit such information to the Community Development Department as soon as it becomes available.

(7) For each owner, corporate officer, partner, manager, employee, or volunteer, a criminal history (“LiveScan”) prepared not more than two (2) weeks prior to the date of submitting the application demonstrating that there are no pending charges or convictions for any crime (including, without limitation, theft, fraud, deceit, or assault) within the previous ten (10) years, and that the subject is not currently on parole or probation for the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance. For each owner, corporate officer, partner, manager, employee, or volunteer who becomes part of a commercial cannabis-facility after the required permit is issued, the commercial cannabis-facility must submit the required criminal history to the Community Development Department within two weeks of the new owner, corporate officer, partner, manager, employee, or volunteer joining the operation.

(8) A site plan and operations plan that demonstrate how the proposed commercial cannabis ~~cannabis testing facility activity~~ has already complied or will comply with the requirements of this chapter.

(9) A copy of all required permits and certificates under Title 8 (Buildings Code) of this Code or an acknowledgment that the proposed cannabis testing facility will obtain all required permits and certificates under Title 8 prior to its opening, establishment, operation, and/or commencement.

(10) The name, address, and contact information for the owner of the property on which the proposed commercial cannabis ~~cannabis-testing activity facility~~ will be located.

(11) An agreement signed by the owner of the property on which the proposed commercial cannabis ~~cannabis-testing activity facility~~ is located consenting to use of the property as-a for a commercial cannabis testing facility activity and agreeing to indemnify, defend (with an attorney selected by the city), and hold harmless The City of Atascadero from any claims, damages, legal or enforcement actions arising from the use of the property for a commercial cannabis activity ~~as-a cannabis-testing facility~~.

(12) Any supplemental information requested by the Community Development Director or designee to establish compliance with the requirements of this chapter. (Ord. 612 § 2, 2017)

#### **9-17.008 Commercial cannabis application approval or denial of entitlement.**

(a) Criteria for Issuance or Denial of Permit. In addition to the criteria for land use permits set forth in this title, the Planning Commission, or the City Council on appeal, shall consider the following criteria in determining whether to grant or deny a land use permit for a commercial cannabis ~~testing activity facility~~:

(1) That the proposed location of the commercial cannabis ~~activity-testing facility~~ is not identified by the City Chief of Police, or designee, as an area of increased or high crime activity.

(2) For those applicants who have operated other businesses within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area of the applicant's other business.

(3) That the location is not prohibited by the provisions of this section or any local or state law, statute, rule, or regulation, and no significant nuisance issues or problems are likely or anticipated, and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.

(4) That the operations plan and site plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements section. These features may include, but are not limited to, security on-site; procedure for allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

(5) That all reasonable measures have been incorporated into the operations plan and site plan or consistently taken to successfully control and/or prevent disturbances, vandalism, traffic problems, cannabis use in public, public or private nuisances, or interference in the operation of another business.

(6) That the commercial cannabis ~~testing activity facility~~ is likely to have no potentially adverse effect on the health, peace, or safety of persons living or working in the surrounding area, overly burden a specific neighborhood, or contribute to a public nuisance.

(7) That any provision of the Municipal Code or condition imposed by a City-issued permit, or any provision of any other local or State law, regulation, or order, or any condition imposed by permits issued in compliance with those laws, will not be violated.

(8) That the applicant has not made a false statement of material fact or has omitted to state a material fact in the application for a permit.

(9) That the applicant has not engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices with respect to the operation of another business. (Ord. 612 § 2, 2017)

(10) Conditions of approval may require that a commercial cannabis activity be subject to conditions that mitigate potential impacts of the sale of cannabis products in the community.



(b) Indemnification. The applicant or its legal representative shall:

(1) Indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation of Federal law associated with the operation of the commercial cannabis activity; defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of an entitlement for or the operation of the commercial cannabis activity; reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of any legal challenge (or Federal enforcement action) related to the City's approval of an entitlement for or the operation of the commercial cannabis activity.

(2) Maintain insurance in the amounts and of the types that are acceptable to the City pursuant to guidelines and policies set forth by the local licensing authority and name the City as an additionally insured on all City-required insurance policies.

**9-17.009 Commercial cannabis operational requirements.**

(a) Operational Requirements.

(1) A cannabis testing facility permitted under this section may only operate between the hours of 7:00 a.m. and 8:00 p.m. Pacific Time.

(2) A retail non-storefront delivery facility permitted under this section may only operate between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.

(3) Any commercial cannabis ~~testing activity facility~~ permitted under this chapter must comply with all applicable State Cannabis Laws, including but not limited to the requirement of a valid State license to operate a commercial cannabis activity.

(4) A commercial cannabis ~~testing activity facility~~ permitted under this chapter must comply with all applicable provisions of Titles 5 and 8 of this Code.

(5) A commercial cannabis ~~testing activity facility~~ permitted under this section may not employ any person who is not at least eighteen (18) years of age.

(6) A commercial cannabis ~~testing activity facility~~ permitted under this section shall not conduct or engage in the commercial or retail sales of any cannabis or cannabis products on the premises of the cannabis ~~testing~~ facility.

(7) No cannabis cultivation may occur on the property of a commercial cannabis ~~activity facility~~ permitted under this chapter.

(8) A commercial cannabis ~~testing activity facility~~ permitted under this chapter may not allow or permit the use, inhalation, smoking, eating, ingestion, or consumption of cannabis or cannabis products on the property of the commercial cannabis activity, including in the parking areas of such property.

(9) Criminal Background Requirements.

(i) All owners, corporate officers, partners, managers, employees, or volunteers of a commercial cannabis activity permitted under this chapter shall comply with background criminal history requirements under state law. No person who is currently charged with or has been convicted within the previous ten years of a felony or misdemeanor involving moral turpitude or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance shall be employed by a cannabis business in the City.

~~No person who is currently charged with or has been convicted within the previous ten years of a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance, shall be an owner, corporate officer, partner, manager, employee, or volunteer of a cannabis testing facility permitted under this chapter. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere or no contest.~~

(ii) Prior to commencing any work within or on behalf of a commercial cannabis facility permitted under this chapter, each owner, corporate officer, partner, manager, employee, and volunteer must complete a current criminal history background check that demonstrates compliance with subsection (g)(13)(i). Each criminal history background check must be updated every twelve (12) months.

(iii) A ~~testing~~ commercial cannabis activity facility permitted under this section shall maintain a complete register of each owner, corporate officer, partner, manager, employee, and volunteer working for and/or associated with the cannabis testing facility, including a copy of each required criminal history background check. The register and required records must be made available for inspection by any city officer or official for purposes of determining compliance with this chapter.

(iv) A commercial cannabis ~~testing activity facility~~ permitted under this chapter shall notify the city in writing of any disqualifying conviction described in subsection (g)(13)(i) for an owner, corporate officer, partner, manager, employee, or volunteer within ten (10) days of the conviction.

(v) A commercial cannabis activity testing facility permitted under this chapter may submit to the Police Chief a written request for a waiver of the prohibition in subsection (g)(13)(i) with regard to a particular owner, corporate officer, partner, manager, employee, or volunteer, on the ground that such person's involvement with the cannabis testing facility will not pose a threat to public safety. The Police Chief, in his or her unfettered discretion, may deny such a written request, subject to the appeal procedures set forth in Municipal Code Sections 1-2.13 through 1-2.16.

(10) A commercial cannabis ~~activity testing facility~~ permitted under this chapter shall provide the name, phone number, facsimile number, and e-mail address of a manager or representative who can be reached twenty-four (24) hours a day in the event that the city decides to provide notice of an operating problem associated with the commercial cannabis facility.

(11) Disposal of chemical, dangerous or hazardous waste must be conducted in a manner consistent with Federal, State and local laws, regulations, rules or other requirements. Cannabis waste must be made unusable and unrecognizable prior to leaving the licensed premises by grinding it and incorporating it with fifty percent (50%) non-cannabis waste.

(12) A commercial cannabis activity testing facility permitted under this chapter must pay any applicable taxes pursuant to Federal, State, and local law.

(13) A commercial cannabis ~~testing facility~~ activity permitted under this chapter shall provide a secured storage area on-site. All cannabis and cannabis products shall be stored in this area during non-business hours. (Ord. 612 § 2, 2017)

(14) A commercial cannabis activity permitted under this chapter may be required to provide a video surveillance system that is accessible by the City of Atascadero.

(15) A commercial cannabis activity permitted under this chapter may be required to provide a security plan that outlines private security services on site for twenty four-hours a day.

(16) A Retail Non-Storefront Facility location in the City of Atascadero shall include an on-site concealed location within the building where all cannabis products and cash are loaded or unloaded onto a delivery vehicle. The concealed location shall be within an enclosed area not visible or accessible to the public.



(17) The premises of a commercial cannabis activity must be equipped with an odor absorbing ventilation and exhaust system so that odor generated inside the premises that is distinctive to the operation of the commercial cannabis activity is not detected outside the premises, anywhere on adjacent property or public rights-of-way, on or about any exterior or interior common area walkways, hallways, breeze-ways, foyers, lobby areas, or any other areas available for common use by tenants or the visiting public, or within any other unit located within the same building as the commercial cannabis activity. As such, a commercial cannabis activity must install and maintain the following equipment or any other equipment which local licensing authority determines has the same or better effectiveness:

- (i) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or
- (ii) An air system that creates negative air pressure between the premises' interior and exterior so that the odors generated inside the premises are not detectable outside the premises.

#### **9-17.010 Suspension and revocation of entitlement.**

(a) Suspension, Modification and Revocation.

(1) Authority to Suspend or Revoke. Any permit issued for a commercial cannabis ~~activity facility~~ may be suspended, modified or revoked by the Planning Commission if it shall appear to the Commission that the permittee has violated any of the requirements of this chapter or the Municipal Code, the permittee is operating in a manner which violates the operational requirements or operational plan required by this chapter, the permittee is operating in violation of any condition of approval set forth in the use permit approval, the permittee is operating in a manner which constitutes a nuisance, the permittee's state license under MAUCRSA has been suspended, revoked, or terminated, or the permittee is operating in a manner which conflicts with state or federal law.

(2) Annual Review of Permitted Commercial Cannabis ~~Testing activities~~. The Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation of each permitted commercial cannabis ~~testing facility activity~~ within the City for full compliance with the business license regulations, cannabis tax collection requirements, operational recordkeeping, nuisance and all other requirements of this chapter, the Atascadero Municipal Code, and state licensing. A fee in an amount set by resolution of the City Council may be established in order to reimburse the City for the time involved in the annual review process. The staff may initiate a permit suspension or revocation process for any commercial cannabis ~~testing facility activity~~ which, upon completion of an annual review, is found not to be in compliance with the requirements of this chapter or which is operating in a manner which constitutes a public nuisance. Staff may, based upon its annual review of the operation of a commercial cannabis ~~testing facility activity~~, place on a Planning Commission meeting agenda, a proposal to suspend or revoke a commercial cannabis ~~testing facility activities~~ permit.

(3) Except as otherwise provided in this chapter, no permit shall be revoked or suspended by the Planning Commission under the authority of this section until written notice of the intent to consider revocation or suspension of the permit has been served upon a permittee at least ten (10) days prior to the date set for such review hearing. Such revocation or suspension notice shall state the specific reasons for the proposed suspension or revocation and must have been provided to the permittee in writing prior to the hearing. Such notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending such permit. Notice may be given either by personal delivery to the permittee, or by depositing such notice in the U.S. mail in a sealed envelope, postage prepaid (via regular mail and return

receipt requested), addressed to the person to be notified at his or her address as it appears in his or her application for a permit. (Ord. 612 § 2, 2017)

#### **9-17.011 Enforcement.**

The City may enforce this chapter in any manner permitted by law. Any violation of this chapter shall be and is hereby declared to be a public nuisance and contrary to the public interest and shall, at the discretion of the City, create a cause of action for injunctive relief. (Ord. 612 § 2, 2017)

#### **9-17.012 Limitation on Liability**

To the fullest extent permitted by law, the City shall not assume any liability whatsoever, with respect to approving any entitlement or permit pursuant to this chapter or the operation of any commercial cannabis activity approved for such permit pursuant to this chapter.

**DRAFT ORDINANCE B**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING THE ATASCADERO MUNICIPAL CODE TITLE 9, CHAPTER 17 (CANNABIS ACTIVITIES & REGULATIONS) AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**WHEREAS**, an application has been received from the City of Atascadero to amend Title 9, Planning and Zoning, to implement provisions of the Medicinal and Adult Use of Cannabis Regulation and Safety Act (MAUCRSA) for new regulations pertaining to cannabis regulations within the City of Atascadero; and

**WHEREAS**, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA), have been adhered to; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject Zone Text Change application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said zoning text amendments; and

**WHEREAS**, the Planning Commission of the City of Atascadero, at a Public Hearing held on April 20, 2021, studied and considered the proposed zone text amendments to the Title 9 Chapter 17; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject Zoning Text Change application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Zoning Text Amendments; and

**WHEREAS**, the City Council of the City of Atascadero, at a Public Hearing held on May 11, 2021, studied the Planning Commission's discussion and recommend edits in the failed 3-2 motion of the Commission and considered the proposed zoning text 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, in a regular session assembled on May 25, 2021, resolved to introduce for first reading, by title only, an Ordinance that would amend Title 9 Chapter 17 Cannabis Activities and Regulations as shown in Exhibit A, attached hereto and incorporated herein by this reference.

**SECTION 3. Facts and Findings.** The City Council makes the following findings, determinations and approvals with respect to the Zone Text Amendment:

**A. Findings for Approval of a Zone Text Change**

FINDING: (i) The Title 9 Chapter 17 text amendment is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent and policies of the adopted General Plan.

FINDING: (ii) This Amendment of Title 9 Chapter 17 will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development in accordance with the adopted General Plan for the compatible use of the property based on neighborhood characteristics.

FINDING: (iii) The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

**SECTION 4. CEQA.** The proposed zoning text change is 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.** Atascadero Municipal Code Title 9 Planning & Zoning Chapter 17 is amended 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.** Repealing of any provision of the Atascadero Municipal Code 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 Atascadero Municipal Code or other City Ordinance by this Ordinance will be rendered void and cause such previous Atascadero Municipal Code 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 May 25, 2021, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on \_\_\_\_\_.

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

## Chapter 17 Cannabis Activities & Regulations

### 9-17.001 Title.

This chapter shall be known as the cannabis regulations of the City of Atascadero. (Ord. 612 § 2, 2017)

### 9-17.002 Purpose and intent.

(a) **Purpose.** It is the purpose and intent of this chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) and to provide access to adult-use of cannabis for persons over the age of twenty-one (21) as authorized by “Proposition 64” passed by California voters in 2016, while imposing sensible reasonable regulations on the use of land to protect the City’s residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this chapter to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution and transportation of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety and welfare of the residents of Atascadero and to enforce rules and regulations consistent with State law.

(b) **Non-Conflicting Enactment.** Nothing in this chapter is intended to authorize the possession, use or provision of cannabis for purposes that violate State or Federal law.

(c) **Additional Provisions.** The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approval required under State, County, or other law. (Ord. 612 § 2, 2017)

### 9-17.003 Definitions.

For the purposes of this chapter, the following definitions shall apply.

(a) **Accessory Structure.** An accessory structure is a detached structure, with a “u” occupancy that is accessory to and subordinate to the primary residential use.

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

(c) **Cannabis Canopy.** All areas occupied by any portion of a cannabis plant, encompassing all vertical planes (i.e., stacking of plants), whether contiguous or noncontiguous on any one (1) site. “Cannabis canopy” shall be measured by taking the longest length and widest width of existing plants (including all gaps and open areas between plants) and multiplying the length and width to get square footage.

(d) **Cannabis Greenhouse.** A fully enclosed permanent structure that is clad in transparent material. Cannabis cultivation within an enclosed, non-transparent greenhouse is considered indoor cultivation.

(e) **Cannabis Hoop Structure.** A readily removable plastic covered hoop structure without in-ground footings or foundations, which are not more than twelve (12) feet in height and do not have vertical

sides that exceed four (4) feet in height. Cannabis hoop structures are accessory uses on residential land use categories which shall not exceed one hundred twenty (120) square-feet. Cannabis cultivation within hoop structures is considered outdoor cultivation.

~~(f)~~ **Cannabis Operating license.** An annual cannabis operating license as may be required by the City of Atascadero pursuant to Title 3 of this code to operate a commercial activity within the City whether the business is located within the City or not.

~~(g)~~ **Cannabis Testing Facility.** A facility, entity, or site that offers or performs testing of cannabis or cannabis products and that is both accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state, and registered with and licensed by the California State Department of Public Health.

~~(g)~~ **(h) Commercial Cannabis Activity.** “Commercial cannabis activity” shall have the meaning set forth in Business and Professions Code Section 26001(k), which includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or cannabis products as provided in MAUCRSA (Business and Professions Code Section 26000 et seq.) and for which a state license is required. Commercial cannabis activity shall also include the sale or distribution of cannabis and/or cannabis products, in exchange for compensation in any form, for medicinal purposes under Health and Safety Code Sections 11362.5 and 11362.7 et seq.

~~(h)~~ **(i) Cultivation.** “Cultivation” shall have the meaning set forth in Business and Professions Code Section 26001(l), which includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

~~(i)~~ **(j) Day Care Center.** “Day care center” shall have the same meaning as Health and Safety Code Section 1596.76, which means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers.

~~(j)~~ **(k) Fully Enclosed Structure.** A fully enclosed space within a building or separate structure that complies with the California Building Code (CBC), as adopted by the City of Atascadero, or if exempt from the permit requirements of the CBC, that has a complete roof, foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, and non-transparent walls on all sides.

~~(k)~~ **(l) Indoor Cultivation.** Cultivation, as defined in subsection (h), of this section, within a fully enclosed structure, as defined in subsection (j) of this section.

~~(l)~~ **(m) Outdoor Cultivation.** Any location within the City of Atascadero that is not within a fully enclosed structure, or cannabis green house, as defined in subsection (d) of this section.

~~(m)~~ **(n) Personal Cultivation.** Cultivation of cannabis at a private residence, as defined by subsection (n) of this section, for non-commercial cannabis activities, which is defined in subsection (g).

~~(n)~~ **(o) Private Residence.** A house, apartment unit, mobile unit, or other similar dwelling unit that is legally permitted within the City of Atascadero, and is considered a residential occupancy type in the California Building Code, as adopted by the City of Atascadero.

~~(o)~~ **(p) Retail Cannabis Delivery Center.** A “retail cannabis delivery center” is a facility from which deliveries of cannabis and/or cannabis products originate pursuant to orders placed by customers inside and/or outside the City

**Retail Non-Storefront Facility.** A “retail non-storefront facility” is a commercial cannabis facility that operates out of a state and City licensed commercial business location which sells cannabis goods to customers exclusively through delivery with no on-site customer services of any kind.

~~(p)~~ **(q) School.** A private or public educational facility providing instruction in kindergarten or grades 1 through 12.

~~(q)~~ (r) **State Cannabis Laws.** “State Cannabis Laws” shall mean and include California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act); California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); California Health and Safety Code Sections 26220 through 26231.2; the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all State regulations adopted pursuant to MAUCRSA; and all other applicable laws of the State of California.

~~(t)~~ (s) **Youth Center.** “Youth center” shall have the same meaning as Health and Safety Code Section 11353.1, which includes any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities. (Ord. 612 § 2, 2017)

#### **9-17.004 Personal cannabis cultivation.**

The following regulations pertain to the personal cultivation of cannabis.

(a) All cannabis cultivation is prohibited within the City except that no more than six (6) living cannabis plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one (1) time. In no instance may personal cultivation occur on vacant property.

(b) Indoor Cultivation Regulations. Indoor cultivation on residential properties is subject to the following regulations:

(1) Indoor cannabis cultivation shall only occur inside a private residence or an accessory structure to a private residence that is fully enclosed and secured against unauthorized entry.

(2) Sleeping Rooms within Residential Occupancies. Indoor cultivation may not occur inside rooms designed for sleeping. Sleeping rooms are defined by the California Building Code for residential occupancies.

(c) Outdoor Cultivation. Outdoor cultivation on residential properties is subject to the following regulations:

(1) Visibility. Outdoor cannabis cultivation shall not be visible from public rights-of-way or neighboring properties.

(2) Screening. Outdoor cannabis cultivation must be completely screened with permanent fencing and/or landscaping. Fencing must be compatible with the neighborhood and be constructed of wood pickets, block, or other typical fencing materials.

(3) Prohibited Fence Types. Electrical fencing, razor wire fencing, chain link fencing, barbwire, plywood and other unfinished materials; shade cloth, plastic, plywood, OSB and other temporary screening materials shall not be allowed.

(4) Fencing Height. Fencing for screening of outdoor cannabis cultivation must not exceed seven (7) feet in height, measured from natural grade. Additional plastic or other materials attached, suspended, or supported beyond the seven (7) foot height limitation shall be prohibited.

(d) Setbacks. Personal cannabis cultivation shall be subject to the following setback requirements:



(1) Property line. Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located fifteen (15) feet or more from the edge of property lines.

(2) Distance from Adjacent Residences. Cannabis greenhouses, cannabis hoop-structures, and all outdoor cannabis cultivation must be located twenty-five (25) feet or more from the nearest adjacent residence.

(3) Front Setback. No cannabis cultivation may occur within a designated front setback as defined in Section 9-4.106 of this title.

(e) Total Coverage of Personal Cannabis Cultivation.

(1) Indoor Cannabis Cultivation. Indoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of indoor residential space.

(2) Outdoor Cannabis Cultivation. Outdoor cannabis cultivation shall not take up more than one hundred twenty (120) square feet of cannabis canopy coverage.

(f) Property Owner Consent. Where a private residence is not occupied or inhabited by the owner of the residence, the owner of the property must provide written consent expressly allowing cannabis cultivation to occur at said private residence.

(g) Applicability of Adopted Building Codes. All personal cannabis cultivation at a private residence shall comply with applicable Building Code requirements set forth in the Atascadero Municipal Code Title 8.

(h) Use of Solvents. There shall be no use of gas products (CO<sub>2</sub>, butane, propane, natural gas, etc.) on a property for purposes of cannabis cultivation.

(i) Waste Disposal. The following regulations apply to the disposal of cannabis waste on residential property:

(1) Cannabis and cannabis infused products must be disposed in a secure waste receptacle located on the residential property.

(2) Cannabis plants and products must be rendered unusable and unrecognizable by grinding and incorporating cannabis waste with any non-consumable solid waste with a resulting mixture of at least fifty percent (50%) non-cannabis waste. (Ord. 612 § 2, 2017)

#### **9-17.005 Commercial cannabis activities.**

All commercial cannabis activities are prohibited unless specifically allowed in this Table 17-1. It is unlawful for any person to commence, operate, engage in, to conduct, or carry on (or to permit to be commenced, operated, engaged in, conducted or carried on) in or upon any property located within the City, a commercial cannabis activity unless that person does so in strict compliance with State Cannabis Laws, this section, and all applicable Municipal Code provisions.

**Business License Tax Certificate and Payment of Cannabis Business Tax Required. No person shall commence, operate, engage in, conduct, or carry on a commercial cannabis activity, whether doing so from a fixed location in the City or coming into the City from an outside location to engage in such activities, without obtaining and continuously maintaining a business license tax certificate pursuant to Title 3, Chapter 18 of this code (Cannabis Business Taxes) and remitting timely payments of applicable taxes pursuant to Title 3, chapter-18 of this code.**

(a) Table 17-1 identifies the uses of commercial cannabis activities that are permitted in non-residential districts, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. **All other commercial cannabis uses not otherwise lists in Table 17-1 shall be prohibited.**

**Table 17-1 – Commercial Cannabis Use Table**

Allowed Land Uses and Permit Requirements	A Allowed Use, Zoning Clearance Required									
	CUP Conditional Use Permit Required									
	AUP Administrative Use Permit Required									
	<input type="checkbox"/> Not Permitted									
<b>Non-Residential Zones</b>										
Use	<b>Permitted Uses By Zones</b>									
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I
<b>Commercial Cannabis Activity</b>										
Testing Facility		CUP	CUP	AUP		AUP			AUP	AUP
<u>Retail Non-storefront Facility</u>		<u>CUP</u>	<u>CUP</u>	<u>CUP</u>		<u>CUP</u>		<u>CUP</u>		<u>CUP</u>

(Ord. 612 § 2, 2017)

**9-17.006 Commercial cannabis activities development standards.**

(a) The following are development standards for permitted commercial cannabis activities:

(1) On-Site Sales. Retail or wholesale sales to the public are prohibited.

(2) Distance. Commercial Cannabis activities shall be prohibited within six hundred (600) feet of schools, parks, ~~and~~ youth centers, ~~or day care centers~~. All distances specified in this section shall be measured in a straight line, without regard to intervening structures or topography, from the nearest point of the building or structure in which the commercial cannabis activity is, or will be located, to the nearest property line of the parcel where such use is located. If the commercial cannabis a is, or will be located, in a multi-unit building, the distances shall be measured from the nearest point of the suite in which the cannabis business is or will be located.

(3) Signage. On-site signage for a commercial cannabis activity that is viewable from the exterior of the premises shall comply with all local signage laws applicable to the permitted and licensed premises, including Chapters 9-15 of this Code. Signage may not be designed to appeal to children, or contain any false or misleading statements, or make any misrepresentations.

(b) Cannabis Deliveries. The following standards apply to licensed, permitted retail non-storefront facilities: ~~located outside the incorporated City limits of the City of Atascadero:~~

(1) Deliveries within Incorporated City Limits. State-licensed retail non-storefront facilities ~~located outside the City~~ may ~~personally~~ deliver cannabis and cannabis products to individuals located at private residences within the City, provided that such deliveries are in strict compliance with State ~~and City~~ Cannabis Laws and the Municipal Code and said retailer has obtained a business license tax certificate, is paying the applicable business license tax under Municipal Code Chapter 3-5, and is paying the applicable cannabis business tax under Title 3 Chapter 18 of this title (Cannabis Business Tax). All other deliveries of cannabis and/or cannabis products are prohibited.

(2) Vehicle Advertising. Vehicles used in the delivery process must be unmarked without any designation or logo that identifies the vehicle as a cannabis delivery vehicle.

~~—(3) Delivery Times. A licensed retailer may only engage in deliveries between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.~~

#### **9-17.007 Commercial cannabis application and procedures.**

(a) Application Requirements. Any person applying for an AUP or CUP for a licensed, permitted commercial cannabis activity facility, as allowed under this chapter, must submit the following information with their application:

(1) The name of the proposed commercial cannabis ~~testing activity~~ including, if applicable, the name on file with the California Secretary of State and any fictitious business names and/or DBAs.

(2) The location of the proposed commercial cannabis ~~cannabis testing~~ facility activity (must comply with the zoning and location restrictions set forth above).

(3) The names, addresses, and contact information for each owner of the proposed ~~cannabis testing facility~~ commercial cannabis activity.

(4) If the proposed commercial cannabis ~~cannabis testing facility activity~~ is incorporated, the names, titles, addresses, and contact information of each corporate officer, the name, address, and contact information of the agent for service of process, a certified copy of the articles of incorporation, and copy of the bylaws.

(5) If the proposed commercial cannabis ~~cannabis testing activity facility~~ is a partnership, the names, addresses, and contact information for each partner and the agent for service of process.

(6) The name and contact information for each manager of a proposed commercial cannabis business, establishment, or facility. If such information is not available at the time the application is submitted, the proposed commercial cannabis business, establishment, or facility shall submit such information to the Community Development Department as soon as it becomes available.

(7) For each owner, corporate officer, partner, manager, employee, or volunteer, a criminal history (“LiveScan”) prepared not more than two (2) weeks prior to the date of submitting the application demonstrating that there are no pending charges or convictions for any crime (including, without limitation, theft, fraud, deceit, or assault) within the previous ten (10) years, and that the subject is not currently on parole or probation for the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance. For each owner, corporate officer, partner, manager, employee, or volunteer who becomes part of a commercial cannabis facility after the required permit is issued, the commercial cannabis facility must submit the required criminal history to the Community Development Department within two weeks of the new owner, corporate officer, partner, manager, employee, or volunteer joining the operation.

(8) A site plan and operations plan that demonstrate how the proposed commercial cannabis ~~cannabis testing facility activity~~ has already complied or will comply with the requirements of this chapter.

(9) A copy of all required permits and certificates under Title 8 (Buildings Code) of this Code or an acknowledgment that the proposed cannabis testing facility will obtain all required permits and certificates under Title 8 prior to its opening, establishment, operation, and/or commencement.

(10) The name, address, and contact information for the owner of the property on which the proposed commercial cannabis ~~cannabis testing activity facility~~ will be located.

(11) An agreement signed by the owner of the property on which the proposed commercial cannabis ~~cannabis testing activity facility~~ is located consenting to use of the property as for a commercial cannabis testing facility activity and agreeing to indemnify, defend (with an attorney selected by the city), and hold harmless The City of Atascadero from any claims, damages, legal or enforcement actions arising from the use of the property as a cannabis testing facility for a commercial cannabis activity.

(12) Any supplemental information requested by the Community Development Director or designee to establish compliance with the requirements of this chapter. (Ord. 612 § 2, 2017)

**9-17.008 Commercial cannabis application approval or denial of entitlement.**

(a) Criteria for Issuance or Denial of Permit. In addition to the criteria for land use permits set forth in this title, the Planning Commission, or the City Council on appeal, shall consider the following criteria in determining whether to grant or deny a land use permit for a commercial cannabis ~~testing activity facility~~:

(1) That the proposed location of the commercial cannabis ~~activity testing facility~~ is not identified by the City Chief of Police, or designee, as an area of increased or high crime activity.

(2) For those applicants who have operated other businesses within the City, that there have not been significant numbers of calls for police service, crimes or arrests in the area of the applicant's other business.

(3) That the location is not prohibited by the provisions of this section or any local or state law, statute, rule, or regulation, and no significant nuisance issues or problems are likely or anticipated, and that compliance with other applicable requirements of the City's Zoning Ordinance will be accomplished.

(4) That the operations plan and site plan have incorporated features necessary to assist in reducing potential crime-related problems and as specified in the operating requirements section. These features may include, but are not limited to, security on-site; procedure for allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.

(5) That all reasonable measures have been incorporated into the operations plan and site plan or consistently taken to successfully control and/or prevent disturbances, vandalism, traffic problems, cannabis use in public, public or private nuisances, or interference in the operation of another business.

(6) That the commercial cannabis ~~testing activity facility~~ is likely to have no potentially adverse effect on the health, peace, or safety of persons living or working in the surrounding area, overly burden a specific neighborhood, or contribute to a public nuisance.

(7) That any provision of the Municipal Code or condition imposed by a City-issued permit, or any provision of any other local or State law, regulation, or order, or any condition imposed by permits issued in compliance with those laws, will not be violated.

(8) That the applicant has not made a false statement of material fact or has omitted to state a material fact in the application for a permit.

(9) That the applicant has not engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices with respect to the operation of another business. (Ord. 612 § 2, 2017)

(10) Conditions of approval may require that a commercial cannabis activity be subject to conditions that mitigate potential impacts of the sale of cannabis products in the community.

(b) Indemnification. The applicant or its legal representative shall:

(1) Indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation of Federal law associated with the operation of the commercial cannabis activity; defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of an entitlement for or the operation of the commercial cannabis activity; reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of any legal challenge (or Federal enforcement action) related to the City's approval of an entitlement for or the operation of the commercial cannabis activity.

(2) Maintain insurance in the amounts and of the types that are acceptable to the City pursuant to guidelines and policies set forth by the local licensing authority and name the City as an additionally insured on all City-required insurance policies.

**9-17.009 Commercial cannabis operational requirements.**

(a) Operational Requirements.

(1) A cannabis testing facility permitted under this section may only operate between the hours of 7:00 a.m. and 8:00 p.m. Pacific Time.

(2) A retail non-storefront delivery facility permitted under this section may only operate between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.

(3) Any commercial cannabis ~~testing activity facility~~ permitted under this chapter must comply with all applicable State Cannabis Laws, including but not limited to the requirement of a valid State license to operate a commercial cannabis activity.

(4) A commercial cannabis ~~testing activity facility~~ permitted under this chapter must comply with all applicable provisions of Titles 5 and 8 of this Code.

(5) A commercial cannabis ~~testing activity facility~~ permitted under this section may not employ any person who is not at least eighteen (18) years of age.

(6) A commercial cannabis ~~testing activity facility~~ permitted under this section shall not conduct or engage in the commercial or retail sales of any cannabis or cannabis products on the premises of the cannabis ~~testing~~ facility.

(7) No cannabis cultivation may occur on the property of a commercial cannabis ~~activity facility~~ permitted under this chapter.

(8) A commercial cannabis ~~testing activity facility~~ permitted under this chapter may not allow or permit the use, inhalation, smoking, eating, ingestion, or consumption of cannabis or cannabis products on the property of the commercial cannabis activity, including in the parking areas of such property.

(9) Criminal Background Requirements.

(i) All owners, corporate officers, partners, managers, employees, or volunteers of a commercial cannabis activity permitted under this chapter shall comply with background criminal history requirements under state law. No person who is currently charged with or has been convicted within the previous ten years of a felony or misdemeanor involving moral turpitude or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance shall be employed by a cannabis business in the City.

~~No person who is currently charged with or has been convicted within the previous ten years of a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance, shall be an owner, corporate officer, partner, manager, employee, or volunteer of a cannabis testing facility permitted under this chapter. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere or no contest.~~

(ii) Prior to commencing any work within or on behalf of a commercial cannabis facility permitted under this chapter, each owner, corporate officer, partner, manager, employee, and volunteer must complete a current criminal history background check that demonstrates compliance with subsection (g)(13)(i). Each criminal history background check must be updated every twelve (12) months.

(iii) A ~~testing~~ commercial cannabis ~~activity facility~~ permitted under this section shall maintain a complete register of each owner, corporate officer, partner, manager, employee, and volunteer working for and/or associated with the cannabis testing facility, including a copy of each required criminal history background check. The register and required records must be made available for inspection by any city officer or official for purposes of determining compliance with this chapter.

(iv) A commercial cannabis ~~testing-activity facility~~ permitted under this chapter shall notify the city in writing of any disqualifying conviction described in subsection (g)(13)(i) for an owner, corporate officer, partner, manager, employee, or volunteer within ten (10) days of the conviction.

(v) A commercial cannabis ~~activity-testing facility~~ permitted under this chapter may submit to the Police Chief a written request for a waiver of the prohibition in subsection (g)(13)(i) with regard to a particular owner, corporate officer, partner, manager, employee, or volunteer, on the ground that such person's involvement with the cannabis testing facility will not pose a threat to public safety. The Police Chief, in his or her unfettered discretion, may deny such a written request, subject to the appeal procedures set forth in Municipal Code Sections 1-2.13 through 1-2.16.

(10) A commercial cannabis ~~activity-testing facility~~ permitted under this chapter shall provide the name, phone number, facsimile number, and e-mail address of a manager or representative who can be reached twenty-four (24) hours a day in the event that the city decides to provide notice of an operating problem associated with the commercial cannabis facility.

(11) Disposal of chemical, dangerous or hazardous waste must be conducted in a manner consistent with Federal, State and local laws, regulations, rules or other requirements. Cannabis waste must be made unusable and unrecognizable prior to leaving the licensed premises by grinding it and incorporating it with fifty percent (50%) non-cannabis waste.

(12) A commercial cannabis ~~activity-testing facility~~ permitted under this chapter must pay any applicable taxes pursuant to Federal, State, and local law.

(13) A commercial cannabis ~~testing-facility~~ ~~activity~~ permitted under this chapter shall provide a secured storage area on-site. All cannabis and cannabis products shall be stored in this area during non-business hours. (Ord. 612 § 2, 2017)

(14) A commercial cannabis activity permitted under this chapter may be required to provide a video surveillance system that is accessible by the City of Atascadero.

(15) A commercial cannabis activity permitted under this chapter may be required to provide a security plan that outlines private security services on site for twenty four-hours a day.

(16) A Retail Non-Storefront Facility location in the City of Atascadero shall include an on-site concealed location within the building where all cannabis products and cash are loaded or unloaded onto a delivery vehicle. The concealed location shall be within an enclosed area not visible or accessible to the public.

(17) A Commercial cannabis business location permitted under this chapter shall be required to maintain a backup power source to maintain security features in the event of a power failure.

(18) The premises of a commercial cannabis activity must be equipped with an odor absorbing ventilation and exhaust system so that odor generated inside the premises that is distinctive to the operation of the commercial cannabis activity is not detected outside the premises, anywhere on adjacent property or public rights-of-way, on or about any exterior or interior common area walkways, hallways, breeze-ways, foyers, lobby areas, or any other areas available for common use by tenants or the visiting public, or within any other unit located within the same building as the commercial cannabis activity. As such, a commercial cannabis activity must install and maintain the following equipment or any other equipment which local licensing authority determines has the same or better effectiveness:



- (i) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or
- (ii) An air system that creates negative air pressure between the premises' interior and exterior so that the odors generated inside the premises are not detectable outside the premises.

#### **9-17.010 Suspension and revocation of entitlement.**

- (a) Suspension, Modification and Revocation.

(1) Authority to Suspend or Revoke. Any permit issued for a commercial cannabis ~~activity facility~~ may be suspended, modified or revoked by the Planning Commission if it shall appear to the Commission that the permittee has violated any of the requirements of this chapter or the Municipal Code, the permittee is operating in a manner which violates the operational requirements or operational plan required by this chapter, the permittee is operating in violation of any conditions of approval applicable set forth in the use permit approval, the permittee is operating in a manner which constitutes a nuisance, the permittee's state license under MAUCRSA has been suspended, revoked, or terminated, or the permittee is operating in a manner which conflicts with state or federal law.

(2) Annual Review of Permitted Commercial Cannabis ~~Testing—activities~~. The Community Development Department and the Police Department are hereby authorized to conduct an annual review of the operation of each permitted commercial cannabis ~~testing facility activity~~ within the City for full compliance with the ~~business license regulations, cannabis tax collection requirements~~, operational recordkeeping, nuisance and all other requirements of this chapter, ~~the Atascadero Municipal Code, and state licensing~~. A fee in an amount set by resolution of the City Council may be established in order to reimburse the City for the time involved in the annual review process. The staff may initiate a permit suspension or revocation process for any commercial cannabis ~~testing facility activity~~ which, upon completion of an annual review, is found not to be in compliance with the requirements of this chapter or which is operating in a manner which constitutes a public nuisance. Staff may, based upon its annual review of the operation of a commercial cannabis ~~testing facility activity~~, place on a Planning Commission meeting agenda, a proposal to suspend or revoke a commercial cannabis ~~testing facility activities~~ permit.

(3) Except as otherwise provided in this chapter, no permit shall be revoked or suspended by the Planning Commission under the authority of this section until written notice of the intent to consider revocation or suspension of the permit has been served upon a permittee at least ten (10) days prior to the date set for such review hearing. Such revocation or suspension notice shall state the specific reasons for the proposed suspension or revocation and must have been provided to the permittee in writing prior to the hearing. Such notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending such permit. Notice may be given either by personal delivery to the permittee, or by depositing such notice in the U.S. mail in a sealed envelope, postage prepaid (via regular mail and return receipt requested), addressed to the person to be notified at his or her address as it appears in his or her application for a permit. (Ord. 612 § 2, 2017)

#### **9-17.011 Enforcement.**

The City may enforce this chapter in any manner permitted by law. Any violation of this chapter shall be and is hereby declared to be a public nuisance and contrary to the public interest and shall, at the discretion of the City, create a cause of action for injunctive relief. (Ord. 612 § 2, 2017)

9-17.012 Limitation on Liability

To the fullest extent permitted by law, the City shall not assume any liability whatsoever, with respect to approving any entitlement or permit pursuant to this chapter or the operation of any commercial cannabis activity approved for such permit pursuant to this chapter.



## CANNABIS RETAILER (NON-STOREFRONT) FACT SHEET



**RETAILER (NON-STOREFRONT):** Sells cannabis goods to customers exclusively through delivery. A retailer non-storefront must have a licensed premises to store the cannabis goods for delivery. The premises of a non-storefront retailer shall not be open to the public.

### RETAILER (NON-STOREFRONT) REQUIREMENTS

#### • Hours of operation

- A licensed retailer may only engage in sales and deliveries between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.

#### • Cannabis goods for sale

- A licensed retailer may only sell cannabis goods, cannabis accessories, and licensee's branded merchandise or promotional materials.
- A licensed retailer may only receive cannabis goods for sale from a licensed distributor.
- All cannabis goods must comply with all packaging and labeling requirements.
- A licensed retailer may not sell cannabis goods that are expired.

#### • Delivery

- All delivery customers must provide a valid proof of identification.
  - Persons 21 years of age or older may purchase adult-use cannabis goods.
  - Persons 18 years of age or older may purchase medicinal cannabis goods with a valid physician's recommendation.
  - Delivery employees must verify the age by inspecting a valid form of identification of all delivery customers, in person, before they complete delivery of the cannabis goods.

- Delivery must be made to a physical address in any jurisdiction within California that is not on publicly owned land, a school, a day care, or a youth center.

- During delivery, the employee must carry a copy of the retailer's license, the employee's government-issued identification, and an identification badge provided by the licensed retailer.

- The delivery employee shall not carry cannabis goods valued in excess of \$5,000 at any time, with no more than \$3,000 of cannabis goods that are not already part of a customer order that was processed prior to leaving the premises.

- A delivery request receipt must be prepared for each delivery of cannabis goods and contain all the items listed in section 5420 of the Bureau's regulations.

- Delivery must be made in person by a direct employee of the licensed retailer. An independent contractor, third-party courier service, or an individual employed through a staffing agency would not be considered directly employed by the licensed retailer.

- Delivery must be made using an enclosed motor vehicle equipped with a GPS device and secure storage for cannabis goods.

- A vehicle used by a licensed retailer for delivery purposes is not required to be owned by the licensee.

#### • Customer returns

- A licensed retailer may accept customer returns but may not resell the returned cannabis goods. The returned cannabis goods may be destroyed or, if defective, returned to the distributor from which they were obtained.

(continued on next page)



**BUREAU OF  
CANNABIS  
CONTROL**  
CALIFORNIA

## **CANNABIS RETAILER (NON-STOREFRONT) FACT SHEET**

*(continued)*

- **Cannabis goods packaging, labeling, and exit packaging**

- A licensed retailer may not accept, possess, or sell cannabis goods that are not packaged for final sale. A retailer may not package or label cannabis goods.
- All cannabis goods sold must be in an opaque exit package before delivery to the customer.
- Through December 31, 2019, all cannabis goods must either be in a child-resistant package or in a child-resistant exit package. All cannabis goods packaging shall be tamper-evident; and resealable if it contains more than one serving.
- Beginning January 1, 2020, a package containing cannabis goods shall be resealable, tamper-evident, and child resistant.
- Immature cannabis plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child-resistant packaging.

- **Shipments and inventory**

- Licensed retailers can only receive shipments from licensed distributors between the hours of 6:00 a.m. and 10:00 p.m. Pacific Time.
- Licensed retailers must be able to account for all inventory of cannabis goods and provide the Bureau with inventory records upon request.

- **Retailer to retailer transfer**

- Cannabis goods may be transported by a licensed distributor from one retail location to another retail location if the retail licenses for both locations are held by the same licensee.

- **Records**

- A licensed retailer must maintain financial records, personnel records, training records, contracts, permits, security records, destruction records, data entered into track-and-trace, and an accurate record of all sales for seven years. All records must be made available to the Bureau upon request.



# ***Atascadero City Council***

## ***Staff Report - Community Development Department***

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### **Title 9 Planning and Zoning Text Amendments: Annual Code Update ZCH21-0004**

#### **RECOMMENDATION:**

Council introduce for first reading, by title only, a Draft Ordinance, amending the Atascadero Municipal Code, Title 9 Zoning Ordinance, Section 9-2.112 Permit Time Limits, Section 9-3.230 Agriculture and residential district allowable land uses, Section 9-3.262 Property development standards – RMF, Section 9-3.330 Nonresidential district allowable land uses, Section 9-3.331 Mixed Use residential density, Section 9-3.430 Public districts allowable land uses, Section 9-3.500 Definitions, Section 9-4.107 Side setbacks, Section 9-4.112 Measurement of height, Section 9-4.113 Height limitations, Section 9-4.128 Fencing and screening, Section 9-6.103 Accessory storage, Section 9-6.105 Home Occupations, Section 9-6.106 Residential accessory uses, Section 9-6.112 Farm animal raising, Section 9-6.113 Interim agricultural uses, Section 9-2.102 General Definitions, based on findings.

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

The City Council provided staff direction on a list of proposed zoning amendments on February 23, 2021. On May 4, 2021, the Planning Commission voted 7-0 to recommend the City Council adopt zoning text amendments consistent with the list reviewed by City Council. Staff has prepared a Draft Ordinance for City Council that includes the following zoning text amendments recommended by the Planning Commission:

1. Amend the zoning text to remove commercial agricultural uses from residential zoning districts, and introduce new language to allow agricultural uses as accessory residential uses. This amendment was suggested by the Housing Element to avoid the establishment of farmworker housing within rural residential districts.
2. Amend the zoning text to remove two-story height limit in the multi-family zones and increase allowed building height from 30 feet to 35 feet when the structure can meet required property line setbacks. This amendment includes new-increased setbacks for upper stories of structures (5 feet for portions of buildings 25 feet or lower, and 10 feet for all portions of buildings over 25 feet) that will increase architectural quality and preserve solar access for adjacent properties.

3. Provide clarity on residential density in commercial zones, consistent with General Plan, at 24 units per acre. This amendment does not change density, it simply implements the existing policy into the existing code for reference.
4. A zoning amendment to increase the size of allowed accessory structures on certain conforming properties when particular performance standards can be met. This amendment would allow accessory structures such as workshops, storage barns and related to be constructed up to 100% of the size of a primary structure without the need for a conditional use permit.
5. Amend the zoning text to clarify a limit on outdoor storage in residential zones. Current code has no limit to outdoor storage behind a fence. Proposed limit would be 1000 square feet of outdoor storage when behind a fence.
6. Amend the zoning text to specify maximum height of retaining walls to be 8 feet (including fence barrier height atop wall), unless the retaining wall is stepped with a minimum of five feet of space between the walls. There is no height limit in the code at this time.
7. Amend the zoning code to eliminate the covered parking requirement from multi-family zoning districts.
8. Amend the zoning code to require a conditional use permit for a mortuary service within a commercial retail zone, but allow a mortuary use within an industrial zone where it is not allowed today.
9. Amend the zoning code to identify that gates are different from fences in regards to height limits, and establish a maximum height of 12-feet with a minimum setback from a public right of way at 20-feet.
10. Amend the zoning code to clarify an expiration date for Design Review Committee actions, to be 12-months unless a construction permit is actively being sought.
11. Amend the zoning code to allow an applicant to choose their front yard setback zone when they are on a corner lot.
12. Amend the zoning code to require a five foot minimum property line setback in accordance with the building code.
13. Amend the zoning code to fix a typographical error that will help clarify that ground floor office uses are still allowed within the downtown zone south of Atascadero Creek.
14. Amend the zoning to relocate the public zone land use table to fix a clerical error.
15. Clarify the definition of a Hotel/Motel for consistency with the definition of "Transient Lodging", clarifying that a hotel or motel is for stays of less than 30 days.

## **DISCUSSION:**

### Background

An annual review and update to the City's zoning regulations is necessary in order to continue to keep pace with changing State laws and to refine the City's policies for General Plan consistency and permit streamlining. In 2020, the State passed a number of new laws that affect portions of the City's Zoning Ordinance including a series of policies designed to streamline housing production. In addition, the City adopted its 2021-2028 Housing Element that identified implementation programs requiring a number of updates to the City's code. Continued "clean-up" is also needed to ensure clarity and consistency.

Staff brought a draft list of amendments for preliminary review and prioritization to the City Council. This list of contemplated zoning amendments was presented to the City Council at a regular meeting on February 23, 2021. The City Council provided recommendations and direction for staff to bring the prioritized amendments to Planning Commission for review and recommendation, prior to returning to the City Council for final adoption. On May 4, 2021, the Planning Commission made a recommendation to the City Council to adopt an update to the zoning regulations, which included changes to land use definitions and “clean-up” of inconsistencies between the code and the General Plan. This amendment aims to clarify a number of inconsistencies, streamline development, gain closer alignment with General Plan policies and clarify land uses such as storage uses and fuel station uses within commercial zones.

### Analysis

#### **Housing Element Program Implementation**

The adopted 2021-2028 Housing Element included a number of programs aimed at updating the Municipal Code for consistency with State laws and reducing barriers to housing development. The following amendments are the first round of code updates related to Housing Element implementation.

1. *Agricultural uses in residential zones (AMC 9-3.500, AMC 9-6.106, AMC 9-3.230 AMC 9-6.105)*

The Housing Element update added a program to revise the definition of agricultural uses in residential zoning districts. The Employee Housing Act requires “by-right” housing for farmworker and employee housing in zoning districts where agricultural uses are allowed. Currently, agricultural uses are allowed on residential properties in Atascadero, including hobby uses, small vineyards, and farm animal raising. The intent of existing City code is to allow smaller-scale hobby agricultural uses that are compatible with, and accessory to, a rural residential neighborhood. Hobby agricultural uses are integral to Atascadero’s rural character, however, residential properties were never intended to serve as commercial agricultural properties and cannot support agricultural employees given our City’s circulation system, lack of wastewater infrastructure, and significant wildfire risk.

Due to the Employee Housing Act, Atascadero needs to refine the definitions for residential accessory uses and commercial agricultural uses to maintain opportunities for small-scale hobby agriculture while prohibiting larger-scale commercial activities. Staff is proposing to amend multiple sections relating to agricultural uses to include hobby scale agriculture as an accessory activity while removing larger agricultural activities as stand-alone uses from the residential use table.

Proposed amendments clarify incidental hobby or personal use activities to comply with State law. This amendment will help exclude the City from mandated Ag housing wherever accessory residential scale agricultural uses may occur. It is important to note that these amendments will not exclude small home occupations, incidental farm animal raising, and other ag related activities that are typically associated with rural Atascadero.

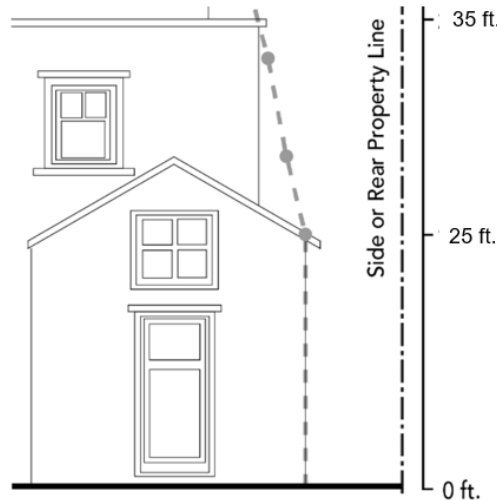
- Specifically, this amendment will revise the following uses, related to agricultural, in residential zones:

- Remove the following land uses from the list of allowed uses in residential zones (AMC 9-3.230):
  - “Agricultural Accessory Uses”,
  - “Agricultural Produce Stands”,
  - “Farm Animal Raising”
  - “Horticultural Specialties”,
  - “Large Scale Ag Manufacturing”; and
  - “Livestock Specialties”.
- Add hobby agricultural activities to the definitions of *Agricultural Accessory Uses* (AMC 9-3.500).
- Add agricultural accessory uses and horticultural specialties as an allowable use for home occupations and clarify the section governing roadside stands. (AMC 9-6.105)
- Add language to clarify the allowance of hoop structures/ greenhouses. This limits these structures to two per property without Design Review Committee approval to ensure that residential character is maintained. (AMC 9-6.106)
- Add parameters for agricultural accessory uses such as hobby crop production and processing, produce stands and farm animal raising.
  - Under the proposed code update, incidental crop production and small-scale processing would be permitted subordinate to the residential use of the property. Agriculture intended for commercial use must also comply with Home Occupation standards as listed in AMC 9-6.105.
  - Produce stands must comply with the standards of AMC 9-6.117. An administrative use permit is required for produce stands in the Limited Single-Family (LSF) and Residential Multi-Family (RMF) zoning districts.
  - Farm Animal Raising must comply with AMC 9-6.112. An administrative use permit is required for Farm Animal Raising in the RMF zoning district.(AMC 9-6.106)
- Make clarifications regarding farm animal raising and eliminate provisions for large-scale animal farms in residential zones.
- Add allowance for the grazing of animals when an individual property adheres to the density regulations of this section.

## 2. *Height limits in the Residential Multi-Family (RMF) zones (AMC 9-4.113)*

Atascadero Municipal Code 9-4.113 limits height in the multi-family (RMF) zones to a maximum of 30 feet. However, the code also limits the construction to two stories. The Housing Element identified this as an impediment to housing production. The City Council was open to eliminating the existing two-story limit and increasing the maximum to height to 35 feet. The suggested amendment increases the allowed height to 35 feet while eliminating the two-story maximum to allow for design flexibility. This would allow for three story residential buildings so long as they adhere to the 35 foot height limit.

With the increase in overall height, the code amendment suggests an additional five-foot setback for all portions of the building exceeding 25 feet, up to 35 feet, as depicted below:



This added setback requirement above the second story will increase architectural interest and ensure compatibility with surrounding properties.

The proposed amendments also allow for increased height for architectural features to encourage high quality design and architectural form. The proposed code amendment increases the maximum height in the Residential Multi-Family zone to 35 feet and includes an exception to exceed the 35 foot height limit up to 40 feet with the approval of an Administrative Use Permit (AUP) to allow for architectural interest and quality. The following findings would be required to approve an AUP for a height exception:

- a. The additional height provides architectural interest and adds to a varied roofline.
- b. The added features will not block solar access to adjacent properties.

An extended height could allow for varied roof pitches, parking below units, lofts, and other land saving creative designs on properties that are designated for medium and high-density apartments, condominiums, and planned developments.

### 3. *Residential Density in Commercial zones (AMC9-3.331)*

Density for residential development in commercial zones is established in the General Plan Housing Element as 24 units/acre. However, this density number was never published into the Zoning Code, causing confusion for staff and developers. Instead, staff has been relying on the General Plan policies to administer zoning density for commercial projects. This amendment would simply update the Municipal Code to clarify the density standards for residential units that are built above or alongside commercial development in the Commercial Retail Zoning District. This amendment would not change what is already allowed, it would simply place the density standards in the Zoning Code, where it would be part of the Municipal Code and the Zoning Code Handbook in new code Section 9-3.331.

## **Modifications to Development Standards/Permit Streamlining**

### 4. *Detached accessory structure exceptions*



Detached accessory structures that are more than 50% of the size of the primary residence on a property currently require Conditional Use Permit approval by the Planning Commission. With the smaller size of some homes coupled with larger residential properties, this can create varied size requirements for accessory structures from parcel to parcel and can create a longer and more costly process for applicants. Very few, if any of these requests are denied by the Commission and very few applications generate significant neighborhood interest. The current size limitations are intended to ensure compatibility with adjacent residential properties. Staff is instead proposing a set of pre-qualifying design standards for oversized accessory structures to ensure neighborhood compatibility while reducing the scope of the use permit requirement for most accessory structures.

The proposed amendment would increase the size limit of a detached un-habitable accessory structure (such as a barn, workshop, shed, or storage building) to 100% of the size of the primary residence with a maximum size cap of 3,000 square-feet. When a detached accessory structure is between 51% and 100% of the size of the primary structure, it will be exempt from discretionary review if it complies with height, setback, and lot coverage standards, while also meeting a set of design qualifiers. An Administrative Use Permit (Director's Hearing) would still be required for structures that exceed 100% size threshold or seek exceptions to the listed design parameters. Proposed design parameters include:

- Accessory structure shall not be located between the primary structure and the public roadway
- Accessory structure shall be compatible with the pattern of development in the neighborhood (there are similar structures on adjacent properties, and properties are of a size, nature and topography so as to not create a significant aesthetic impact)
- Accessory structure is compatible or complementary with the architectural style of the primary structure
- The floor area of the accessory structure is equal to or lesser than the floor area of the primary structure
- The accessory structure is located on a conforming lot
- The accessory structure can be built to avoid substantial grading and the removal of significant native trees
- The accessory structure does not block sunlight for adjacent properties, alter site distance for roads or driveways, nor substantially alter the visual quality of the property

The amendment also clarifies how overhangs and covered porches are considered toward the overall square footage. Overhangs / covered porches projecting away from the building ten feet or more would be counted toward the total floor area of the structure while lesser projections would be considered design features.

##### *5. Scrap and Junk Accessory Use (AMC 9-6.103)*

Currently, the outdoor storage of scrap and junk on a residential property is limited to a maximum area of two hundred (200) square feet unless entirely enclosed by a 6-foot fence. Enclosed storage has no limitations. The lack of a limit to outdoor storage that is



behind a fence potentially creates a significant loophole for residential properties that may choose to harbor a substantial amount of storage. Additionally, large quantities of storage can lead to substantial fire risk, an increase in pests such as rodents, and a substantial impact to the value and aesthetic quality of surrounding properties. The last zoning code update addressed storage in commercial zones by limiting outdoor accessory storage to 10% of the size of the principal building. However, that amendment did not address the topic on residential properties.

The code amendment proposes to modify the maximum area of outdoor storage of scrap and junk on residential properties to 1,000 square feet when completely screened from neighboring properties or from the public right-of-way. The 200 square foot unscreened limitation would remain. It is also important to note that the Municipal Code currently limits the number of inoperative vehicles stored outside on a residential property to one. This standard would remain.

This amendment will add a tool to allow enforcement of substantial outdoor storage yards in residential neighborhoods when there are complaints.

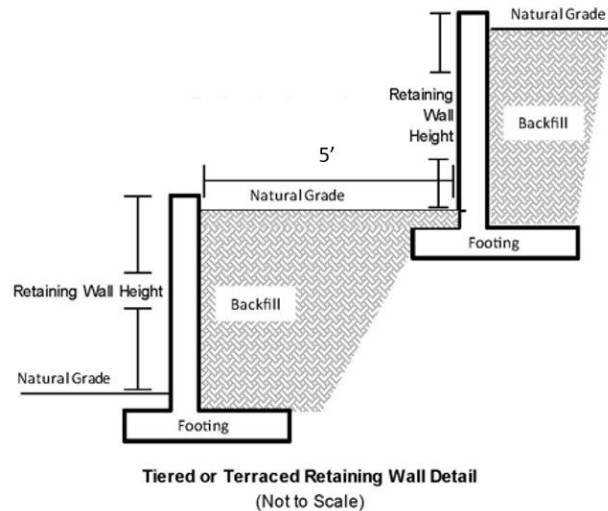
What qualifies is scrap and junk? After all, one's junk may be another's treasure. Items such as, but not limited to, scrap lumber and building materials, vehicle parts, used appliances, used furniture, or any other similar items.

#### *6. Fence/ wall height standards (AMC 9-4.112, AMC 9-4.128)*

Fencing and retaining wall height is currently measured from the finished grade of the uphill portion of a site or lot. This creates a scenario where grade changes between parcels or within a site may result in fencing and retaining walls that can be excessive in height to the downhill site as there are currently no height limitations for retaining walls. In most cases, wall and fence height combinations on or near a property line that exceed 8-feet in height can have detrimental impacts on downhill properties such as loss of sunlight and impacts to views.

This amendment clarifies how the measurement of height is calculated when there is a difference of grade and when a fence or wall is located on top of a retaining wall. The amendment proposes that the height of the retaining wall be counted toward the overall height. This also applies to fences located on berms or mounds. The berm or mound will also be calculated toward the overall height.

Specifically, this amendment would add a limit to the height of retaining walls/and or fences combined with retaining walls at 8-feet maximum unless the retaining wall is terraced, separated by 5 feet of horizontal space or greater. Additional height would be allowed through terracing of the wall(s). Additional height could also be requested through the AUP process (Director's Hearing) where terracing is not achievable.



*7. Covered Parking for Multi-family residential (AMC 9-3.262 )*

The zoning code currently requires at least one covered parking space for each multi-family unit within a multi-family district. Typical parking ratio is one space for a one-bedroom unit, two spaces for a two bedroom and 2.5 for a 3 bedroom, with guest parking for projects the provide 5 or more units. Therefore, every new multi-family project must supply approximately half of their parking as covered parking. In many cases, this has resulted in poorly designed carports and substantial additional development costs. Staff would like to offer the flexibility to provide an option to developers to not have covered parking based on the design needs of the project.

This amendment removes the covered parking requirement from the code and allows it be used as a design feature, if desired, when it can be logically integrated into a project.

*8. Mortuary Services (AMC 9-3.330)*

The Mortuary Services land use is currently allowed in the Commercial Retail (CR) and Commercial Services (CS) zoning districts. Mortuary services may not be appropriate in all Commercial Retail areas. Making it a conditionally allowed use in the CR zone would give the City more discretion as to where these uses can locate and how they operate to minimize negative impacts on surrounding areas. Due to the nature of these operations, it may also be appropriate to add it as an allowed use in the City's industrial zoning districts: Industrial (I) and Industrial Park (IP).

This amendment changes mortuary services, including those with crematories from an allowed use in the Commercial Retail zone to a conditionally allowed use and adds them to the industrial zone, thereby modifying where these facilities can be established in the future.

*9. Gate setbacks and height limits in single-family residential zones (AMC 9-4.128)*

The Municipal Code (9-4.128) limits gateposts and "other super structures" over site entrances and exits (driveways) to up to 12 feet tall. However, this does not specifically address residential driveway gate height. There are also no specific setbacks for gates

from the road right-of-way, which is needed to address traffic safety. Due to safety concerns and visibility, it is recommended that residential gates not be located closer than 20 feet to the City's right-of-way. This allows cars to pull into the driveway to be off the road while waiting for the gate to open.

This amendment permits gates in single-family zoning districts for private driveways, adds a 12 foot height limit to gates to differentiate a gate from a fence, requires gates to comply with emergency access standards and restricts gates from opening out toward the street. This clarification helps to streamline the review of gates at driveways and paths while clarifying access and location requirements.

### **Minor Cleanup of Inconsistencies**

#### **10. Design Review Committee *action expiration***

The Design Review Committee (DRC) review process was intended to happen concurrently for projects requiring a building permit but not requiring discretionary approval. However, staff is seeing an increasing desire by applicants to seek DRC direction prior to construction permit submittal and preparation of full construction plans. The Municipal Code does not have a clear expiration of action taken by the Design Review Committee for projects that have not yet submitted a building permit application. Specifying an expiration deadline would eliminate the possibility of an applicant assuming indefinite approval for a use that may become non-conforming after the DRC action.

This amendment limits the DRC's approval/endorsement to a period of 12 months. The approval will become null and void after 12 months unless the applicant has applied for a building permit and the building permit has not expired, the project has been completed, or an extension to the DRC approval has been granted. The amended code would allow the applicant to apply for two six-month extensions that can be approved by the Community Development Director. Additional extensions would be required to be approved by the DRC. An extension would need to be requested in writing on or before the date of expiration of the approval/endorsement. The following findings would need to be made in order to approve an extension:

1. There have been no changes to the provisions of the General Plan or zoning regulations applicable to the project since the approval/endorsement of the project; and
2. There have been no changes in the character of the site or its surroundings which affect how the standards of the General Plan or zoning regulations apply to the project.

#### **11. Corner lot clarification (AMC 9-4.107)**

The definition of a corner lot currently states that the narrowest frontage facing a street is the front and the longest frontage facing the street is the side for corner lots regardless of where the front door is located or the neighborhood layout. This setback definition determines what setbacks are applied along each frontage. The proposed amendment would allow applicants to select their front yard regardless of width or length to allow for flexibility in property layout and responsiveness to property characteristics.

This clarification will allow an applicant to choose their appropriate front setback based on their lot and development configuration, thereby increasing design flexibility.

*12. Side and rear setback exceptions (AMC 9-4.107)*

Municipal Code Section 9-4.107 is written to allow buildings less than 12 feet in height to be located as close as three feet to a property line. This conflicts with the California Building Code which sets the minimum at 5 feet. The zoning code needs to be revised for consistency and clarity for applicants. This amendment would modify the required building setback to be consistent with the building code at a 5 feet minimum.

*13. Clarify ground floor office uses in the Downtown Commercial (DC) zone (AMC 9-3.330)*

The recent code text change to office uses in the Downtown is unclear about ground floor office uses in the DC zone south of Atascadero Creek. Adoption of the limit on ground floor office uses was intended to apply only to parcels north of the creek. However, the Code was written in a way that could be interpreted to prohibit ground floor office uses on parcels south of the creek. Staff proposes an amendment to clarify that ground floor offices are allowed in the DC zone south of the creek without CUP approval.

*14. Public zones table (AMC 9-3.330, AMC 9-3.430)*

The Public Zones Uses table (Table 3-3) was mistakenly located in the non-residential land use section (AMC 9-3.330) in the Municipal Code during the last code update. This resulted in the incorrect non-updated table remaining in the Public Land Uses section. This updated table needs to be removed from AMC 9-3.330 and moved to AMC 9-3.430.

*15. Hotels, Motels definition (AMC 9-3.500)*

Hotels and motels are land uses that provide for transient lodging with the intent of serving visitors that stay for less than 30-days. While this is generally inferred in the operation of a hotel or motel, the Municipal Code does not currently specifically define length of stay in the land use definition. This lack of specificity has created a potential loophole for the conversion of tourist lodging development to long-term stay single-room occupancy units, which is contrary to the intent of the City's commercial zoning districts. The proposed code update would clarify a length of stay of less than 30-days in the definition for hotels and motels to provide clarity to applicants and property owners.

It is important to note that single-room-occupancy units (SROs) are a conditional use in the CR zone and may be permitted through that discretionary process.

Conclusion

Each year, a series of zoning amendments will be explored in order to keep the Zoning Ordinance a "living document" that can be responsive to economic development and the latest changes to State and local policies. The listed text amendments respond to the recently adopted 2021-2028 Housing Element in addition to a general update of code sections that lack clarity or need greater specificity to better achieve the City's development goals. The proposed amendments are consistent with the General Plan and further the

City's goals of streamlining development and providing consistency and clarity to developers and property owners.

## **ENVIRONMENTAL REVIEW:**

The California Environmental Quality Act (CEQA), Section 15061(3)(b), exempts activities which are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed text amendment will not have any significant adverse environmental impacts.

## **FISCAL IMPACT**

None. Since the proposed Zoning clarifications are intended to refine consistency with the General Plan, there is a potential small savings of staff time. Some of the amendments are intended to streamline processes, thereby reducing staff time and potentially reducing fiscal impact, while other amendments are intended to clarify zoning for public use, with the intent of reducing staff interpretation time.

## **ALTERNATIVES**

1. The Council may modify the text amendments to the Draft Ordinance.
2. The Council may determine that more information is needed on the proposed revisions and may refer the item back to staff to develop additional information. The Council should clearly state the type of information that is required and move to continue the item to a future date.
3. The Council may deny some or all of the proposed text amendments. The Council should specify the reasons for denial and recommend an associated finding with such action.

## **ATTACHMENT:**

Draft Ordinance

**DRAFT ORDINANCE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING TITLE 9 PLANNING & ZONING, SECTION 9-2.112 PERMIT TIME LIMITS, SECTION 9-3.230 AGRICULTURE AND RESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.262 PROPERTY DEVELOPMENT STANDARDS – RMF, SECTION 9-3.330 NONRESIDENTIAL DISTRICT ALLOWABLE LAND USES, SECTION 9-3.331 MIXED USE RESIDENTIAL DENSITY, SECTION 9-3.430 PUBLIC DISTRICTS ALLOWABLE LAND USES, SECTION 9-3.500 DEFINITIONS, SECTION 9-4.107 SIDE SETBACKS, SECTION 9-4.112 MEASUREMENT OF HEIGHT, SECTION 9-4.113 HEIGHT LIMITATIONS, SECTION 9-4.128 FENCING AND SCREENING, SECTION 9-6.103 ACCESSORY STORAGE, SECTION 9-6.105 HOME OCCUPATIONS, SECTION 9-6.106 RESIDENTIAL ACCESSORY USES, SECTION 9-6.112 FARM ANIMAL RAISING, SECTION 9-6.113 INTERIM AGRICULTURAL USES, SECTION 9-9.102 GENERAL DEFINITIONS, AND DETERMINING THIS ORDINANCE IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**(ZCH21-0004)**

**WHEREAS**, an application has been received from the City of Atascadero (6500 Palma Ave., Atascadero, CA 93422), to consider Zone Change Text Amendments to Title 9 Zoning Ordinance, (ZCH21-0004); and

**WHEREAS**, the Planning Commission has determined that it is in the best interest of the City to enact amendments to Title 9 Planning and Zoning of the Atascadero Municipal Code for consistency with the General Plan and to maintain a clear and legible set of Zoning Regulations that is easily interpreted by the public and staff; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject Planning and Zoning Text Change application was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Planning and Zoning Text Amendments; and

**WHEREAS**, the Planning Commission of the City of Atascadero, at a Public Hearing held on May 4, 2021, studied and considered said amendments; and

**WHEREAS**, the Planning Commission of the City of Atascadero has recommended approval of proposed amendments to Title 9 Zoning Ordinance, of the Atascadero Municipal Code as presented to them on May 4, 2021; and

**WHEREAS**, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA) have been adhered to; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject Zoning Text Change application was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said Zoning Text Amendments; and

**WHEREAS**, the City Council of the City of Atascadero, at a Public Hearing held on May 25, 2021, studied the Planning Commission's recommendation and considered the proposed zoning text 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, in a regular session assembled on May 25, 2021, resolved to introduce for first reading, by title only, an Ordinance that would amend the City Zoning Code Text as shown in Exhibit A, attached hereto and incorporated herein by this reference.

**SECTION 3. Facts and findings.** The City Council makes the following findings, determinations and approvals with respect to the Zone Text Amendment:

**A. Findings for Approval of a Zone Text Change**

FINDING: (i) The Planning and Zoning Text Change is consistent with General Plan policies and all other applicable ordinances and policies of the City.

FACT: The proposed zone text amendments align the code requirements with the vision, intent, and policies of the adopted General Plan.

FINDING: (ii) This amendment of the Zoning Ordinance will provide for the orderly and efficient use of lands where such development standards are applicable.

FACT: The proposed text amendment provides for orderly development within the commercial zoning districts in accordance with the adopted General Plan and will allow for the orderly use of residential land for the raising of farm animals associated with youth projects.

FINDING: (iii) The Text Change will not, in itself, result in significant environmental impacts.

FACT: The proposed text changes are minor and do not trigger any environmental impacts.

**SECTION 4.** Approval. Atascadero Municipal Code Title 9 Planning & Zoning is amended as detailed in Exhibit A, attached hereto and incorporated herein by this reference.

**SECTION 5. CEQA.** This Ordinance is 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 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. Certification.** 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.

**SECTION 11. Approval.** Atascadero Municipal Code Title 9 Zoning Regulations is amended as detailed in Exhibit A, attached hereto and incorporated herein by this reference.



**INTRODUCED** at a regular meeting of the City Council held on May 25, 2021 and **PASSED**, **APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on \_\_\_\_\_ 2021.

CITY OF ATASCADERO, CA

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

## Title 9 Updates Draft Ordinance Exhibit A

### 9-2.112 Permit time limits.

(a) An approved plot plan is valid for the time limits established by Title 8 governing building permits. An approved precise plan or conditional use permit, when not part of a planned development with an approved corresponding tentative map, is valid for twenty-four (24) months after its effective date, unless otherwise provided by adopted conditions. At the end of the twenty-four (24) months the approval shall expire and become null and void unless:

- (1) Building permits have been applied for and have not expired;
- (2) The project is completed (Section 9-2.114);
- (3) An extension has been granted (Section 9-2.117); or
- (4) A building moratorium is imposed on the project site.

(b) If a conditional use permit has been approved as part of a planned development with a corresponding tentative map, the life of the conditional use permit shall run with the map and shall only expire if the map expires. Time extensions for the map shall also extend the time of the corresponding conditional use permit. Conditional use permits which correspond with a tentative map shall remain active and shall not expire once the map is recorded. This provision shall apply retroactively and, as a result, any conditional use permit which expired prior to the effective date of the ordinance codified in this section, but which was approved as part of a planned development with a corresponding tentative map that is still active, shall no longer be considered expired but shall instead be deemed active and subject to expiration only if and when the corresponding map expires without having been recorded.

(c) Endorsement or approval by the Design Review Committee shall be valid for a period of 12-months, unless otherwise provided by adopted conditions. At the end of the 12-months, the endorsement/approval shall expire and become null and void unless:

(1) A complete construction permit for the majority of the development has been applied for and has not expired;

(2) The project is completed (Section 9-2.114);

(3) An extension has been granted consistent with the following:

(i) The Planning Director may grant two (2) six (6) month extensions. Additional exceptions may be granted by the Design Review Committee.

(ii) An extension shall be requested in writing on or before the date of expiration of the approval/endorsement.

(iii) The following findings shall be made to grant an extension:

a. There have been no changes to the provisions of the General Plan or zoning regulations applicable to the project since the approval/endorsement of the project; and

b. There have been no changes in the character of the site or its surroundings which affect how the standards of the General Plan or zoning regulations apply to the project.

(ed) Nothing in this title shall be construed as affecting any time limits established by Title 8 of this code regarding work authorized by a building permit or other construction permit issued pursuant to Title 8, or time limits relating to the expiration of such permit.

**9-3.230 Agriculture and residential district allowable land uses.**

Table 3-1 identifies the uses of land allowed this Zoning Code in each agriculture and residential district, and the planning permit required to establish each use, in compliance with Section 9-1 and Section 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

**Table 3-1 – Agriculture and Residential Land Uses  
Allowed Land Uses and Permit Requirements**

Agriculture/Residential Zones	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	☐ Not Permitted					
Permitted Uses By Zone						Special Use Regulation(s)
A	RS	RSF	LSF	RMF		
Agricultural Related Uses						
<del>Agricultural Accessory Uses</del>	A	A	A	-	-	9-6.109
<del>Agricultural Produce Stands</del>	A	A	A	AUP	AUP	9-6.117
<del>Agriculture Employee Housing</del>	A	-	-	-	-	9-6.107
<del>Farm Animal Raising</del>	A	A	A	-	AUP	9-6.112
<del>Horticultural Specialties</del>	A	A	-	-	-	9-6.116
<del>Large Scale Ag Manufacturing</del>	A	CUP	-	-	-	9-6.103
<del>Livestock Specialties</del>	A	CUP	-	-	-	9-6.115
<del>Personal Cannabis Cultivation</del>	A	A	A	A	A	9-17
<del>Small Scale Ag Processing</del>	A	A	A	AUP	AUP	9-6.103
Natural Resources and Processing						
Resource Extraction	CUP	CUP				9-6.147— 9.6-161
Residential Uses						
Multifamily Housing					A	9-3.175

<b>Agriculture/Residential Zones</b>	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	<input type="checkbox"/> Not Permitted					
<b>Permitted Uses By Zone</b>						<b>Special Use Regulation(s)</b>
<b>A</b>	<b>RS</b>	<b>RSF</b>	<b>LSF</b>	<b>RMF</b>		
Manufactured Home/Mobile Home	A	A	A	A	A	9-6.143
Mobile Home Parks		CUP	CUP	CUP	CUP	9-6.142, 9-6.143
Organizational Houses		CUP	CUP	CUP	CUP	9-3.175
Residential Accessory Uses		A	A	A	A	9-6.106
Single-Family Dwelling		A	A	A	A	9-6.143, 9-6.184
Secondary Residential Units		A	A	A		9.5
Temporary Dwelling		A	A	A	A	9-6.175
<b>Recreation, Education, and Public Assembly</b>						
Churches and Related Activities		CUP	CUP	CUP	CUP	9-6.121
Parks and Playgrounds		AUP	AUP	AUP	AUP	
Schools		CUP	CUP	CUP	CUP	9-6.125
Schools – Business and Vocational		CUP	CUP	CUP	CUP	9-6.125
Temporary Events	A	A	A	A	A	9-6.177
<b>Tourism, Lodging, and Dining</b>						
Bed and Breakfast		CUP	CUP	CUP	CUP	
<b>Services-Professional</b>						
Day Care – Small Family Day Care Home		A	A	A	A	9-6.125
Day Care – Large Family Day Care/Child Care Center		CUP	CUP	CUP	CUP	9-6.125
Kennels		CUP	CUP			9-6.111
Medical Extended Care Services, 6 Clients or Less		A	A	A	CUP	9-6.134

<b>Agriculture/Residential Zones</b>	A Allowed Use, Zoning Clearance Required					
	AUP Administrative Use Permit					
	CUP Conditional Use Permit Required					
	<input type="checkbox"/> Not Permitted					
	<b>Permitted Uses By Zone</b>					<b>Special Use Regulation(s)</b>
	<b>A</b>	<b>RS</b>	<b>RSF</b>	<b>LSF</b>	<b>RMF</b>	
Medical Extended Care Services, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.134
Residential Care, 6 Clients or Less		A	A	A	A	9-6.135
Residential Care, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.135
RCFE – Assisted Living, 6 Clients or Less		A	A	A	A	9-6.135
RCFE – Assisted Living, 7 Clients or More		CUP	CUP	CUP	CUP	9-6.135
RCFE – Independent Living Center/Senior Apartments					CUP	
RCFE – Retirement Hotel					CUP	
<b>Transportation, Infrastructure and Communication</b>						
Pipelines Utility Infrastructure	CUP	CUP	CUP	CUP	CUP	
Utility Transmission Facilities	A	A	A	A	A	
Wireless Communication Facilities	CUP	CUP	CUP	CUP	CUP	

**Zoning Districts Abbreviations**

A – Agriculture

LSF – Limited Single-Family Residential

RS – Residential Suburban

RMF – Residential Multifamily

RSF – Residential Single-Family Residential

**9-3.262 Property development standards—RMF.**

In addition to the standards specified in Chapter 4 of this title, General Site Design and Development Standards, the following development standards shall apply to mobile home and multiple-family residential projects:

(a) Percent Coverage. The maximum percent of a lot that may be covered by structures (excluding decks less than thirty (30) inches from the ground) shall be forty percent (40%) for low density multiple-family projects and fifty percent (50%) for high density multiple-family projects.

(b) Enclosed Storage. Each dwelling unit shall be provided a minimum of one hundred (100) cubic feet of enclosed storage space, exclusive of closets, which may be located in either a principal or accessory building.

(c) Outdoor Recreation Areas. For developments of four (4) to seven (7) dwelling units, outdoor recreational open space shall be provided at a ratio of three hundred (300) square feet per unit. This open space may be provided either as: (1) a private amenity designed for exclusive use of a dwelling unit; or (2) as common open space provided that no individual open space is less than one thousand (1,000) square feet. For developments of eight (8) or more dwelling units, outdoor recreational open space shall be provided at a ratio of three hundred (300) square feet per unit. This common open space may be provided in more than one (1) location provided that no individual open space area is less than one thousand (1,000) square feet.

(d) Screening Wall. A solid wall or fence not less than six (6) feet in height shall be placed and maintained on interior lot lines abutting property zoned for single-family residential use.

~~(e) Covered Parking. One (1) covered parking space (carport or garage) shall be required per dwelling unit of the total off-street parking required by Section 9-4.118.~~

~~(e)~~ (f) Laundry Facilities. Laundry facilities shall be provided in the form of either: (1) laundry hook-ups within each individual dwelling unit; or (2) a shared laundry facility equipped with washers and dryers.

~~(f)~~ (g) Appearance Review. All projects shall be consistent with the multifamily design and landscape requirements of the Appearance Review Manual.

~~(g)~~ (h) Maintenance Requirement. A maintenance agreement for all landscaping, building exteriors, accessory structures, parking areas and other common facilities shall be approved by the Community Development Director and City Attorney prior to final occupancy.

~~(h)~~ (i) RMF-24 properties identified in Appendix 1, Table V-45 (Vacant Residential Parcels RMF-20), of the General Plan Housing Element shall be permitted “by right” and will not be subject to conditional use permit or specific plan. Proposed planned development projects or other relief from property development standards on these parcels shall be subject to discretionary review per the requirements of the Municipal Code.

### **9-3.330 Nonresidential district allowable land uses.**

Table 3-2 identifies the uses of land allowed by this Zoning Code in each nonresidential district, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

**Table 3-2 – Nonresidential Use Table**  
**Allowed Land Uses and Permit Requirements**

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Accessory Storage		A <sup>4</sup>	CUP <sup>4</sup>	A <sup>4</sup>	CUP <sub>4</sub>	CUP <sub>4</sub>			A <sup>4</sup>	A <sup>4</sup>	9-6.103
Adult Day Care Facility	A	A	A					CUP			
Adult Oriented Business			A	A					A	A	9-16
Age Restricted Housing							CUP				
Agricultural Produce Stands	A	A			A	A					9-6.117
Amusement Services		A	A	A		A	A			A	
Animal Hospitals		CUP <sub>7</sub>	CUP	A		CUP					9-6.110
Artisan Foods and Products			A	A		A	A5		A	A	
ATM	A	A	A	A	A	A	A	A	A	A	
Auto Dealers (New and Used) and Supplies			CUP	CUP	CUP	CUP	CUP				9-6.163
Auto Repair and Services			CUP	A	A	CUP			A	A	9-6.168
Bar/Tavern			CUP		CUP	CUP	A				
Bed and Breakfast			CUP	CUP	CUP	CUP					
Brewery – Production				CUP		CUP			A	A	
Broadcast Studios			A	A							
Building Materials and Hardware w/		CUP	CUP	CUP		CUP			CUP	CUP	9-6.165

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required <input type="checkbox"/> Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
outdoor sales or storage area 10,000 sf or greater											
Building Materials and Hardware w/ outdoor sales or storage area less than 10,000 sf		A	A	A		A			A	A	9-6.165
Business Support Services		A	A	A		A	A	A	A	A	
Caretaker's Residence/ Employee Unit		CUP	CUP	CUP							
Childcare Center	A	A	A					CUP			9-6.125
Churches and Related Activities		CUP	CUP								9-6.121
Collection Stations	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>			A <sup>4</sup>	A <sup>4</sup>	9-6.130
Contract Construction Services (Indoor)				A		A			A	A	
Contract Construction Services (Outdoor)				CUP					CUP	CUP	
Data and Computer Services Center		AUP		AUP		CUP			A	A	
Day Care											
Drive-Through Sales or Services	CUP	CUP	CUP	CUP	CUP	CUP					9-4.122
Eating and Drinking Places	A	A	A	A	A	A	A	A	A	A	



Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required <input type="checkbox"/> Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Farm Equipment and Supplies w/ outdoor storage or sales area 10,000 sf or greater			CUP	CUP		CUP			CUP	CUP	
Farm Equipment and Supplies w/ outdoor storage or sales area less than 10,000 sf			A	A		A			A	A	
Farmers' Market	CUP	CUP	CUP		CUP	CUP	A	A			
Financial Services and Banks	A	A	A	A	A	A	CUP	A			
Fuel Dealer				A <sup>4</sup>		CUP			A <sup>4</sup>	A <sup>4</sup>	9-6.129
General Retail	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>				
General Retail Greater than 50,000 sf	CUP	CUP	CUP	CUP	CUP	CUP	CUP				
Government Offices and Facilities	A	A	A	A	A	A	CUP <sub>9</sub>	A	A	A	
Health Care Services		A	A	A	CUP	A	CUP <sub>9</sub>	A			
Horticultural Specialties w/ outdoor storage or sales area 10,000 sf or greater		CUP	CUP	CUP	CUP	CUP			CUP	CUP	9-6.116
Horticultural Specialties w/ outdoor sales or storage area less than 10,000 sf		A	A	A	A	A					9-6.116

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required <input type="checkbox"/> Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Hotels, Motels		CUP	A	A	A		CUP				
Indoor Recreation Services		CUP	CUP	CUP	A	A	CUP		CUP	CUP	
Kennels			CUP	A							9-6.111
Large Family Day Care		CUP <sub>8</sub>	CUP <sup>8</sup>								9-6.125
Large Scale Ag Manufacturing				CUP					CUP	A	9-6.103
Laundries and Dry Cleaning Plants				A		A			A	A	
Laundromat/Coin- Operated Laundry	CUP	CUP	CUP	CUP	CUP	CUP			A	A	
Libraries, Museums		A	A	A	A		A	A			
Live/Work Unit							A <sup>1</sup>				
Manufacturing and Processing – High Intensity <sup>4</sup>				CUP		CUP			AUP	AUP	
Manufacturing and Processing - Low Intensity		CUP	CUP	A		A			A	A	
Medical Extended Care Services: 6 Residents or Less	CUP	CUP	CUP	CUP	CUP	CUP					9-6.134
Medical Extended Care Services: <sup>7</sup> Resident s or More			CUP								9-6.134
Medical Research		CUP		A		A		CUP	A	A	
Membership Organizations			A	A		CUP	CUP				

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Microbrewery – Brewpub	A	CUP	A	A	A	A	A	A	A	A	
Mini-Storage				CUP		CUP			A	A	
Mobile Eating and Drinking Vendors <sup>6</sup>	A	A	A	A		A	A		A	A	
Mortuary Services			<u>CUP</u> A	<u>CUP</u> A					<u>A</u>	<u>A</u>	
Multifamily Dwelling	CUP <sub>2</sub>	CUP <sub>2</sub>	CUP <sup>2</sup>	CUP <sup>2</sup>			A <sup>1</sup>	A <sup>1</sup>			
<del>Occupancy Units</del>	-	-	-	-	-	-	-	-	-	-	-
Offices	A	A	A	A	A	A	CUP <sub>9</sub>	A			
Outdoor Recreation Services			CUP	CUP	A						9-6.123
Parking Lots	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	
Parks and Playgrounds							A	A			
Personal Service Restricted				A	CUP	CUP					
Personal Services	A	A	A	A	A	CUP	A				
Printing and Publishing		CUP	CUP			A <sup>4</sup>			A <sup>4</sup>	A <sup>4</sup>	
Public Assembly and Entertainment			CUP	CUP	A	CUP	CUP				
RCFE – Assisted Living			CUP								9-6.135
RCFE – Independent Living/Senior Apartments	CUP		CUP	CUP							9-6.135

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
RCFE – Retirement Hotel	CUP		CUP	CUP							9-6.135
Recreational Vehicle Parks					A						9-6.180
Recycling and Scrap									CUP	CUP	9-6.131
Recycling Centers									CUP	CUP	9-6.132
Research and Development		CUP		A		A	CUP	A	A	A	
Residential Care: 6 Residents or Less							A <sup>2</sup>	A <sup>2</sup>			9-6.135
Retail Sales—Restricted				A	CUP	CUP					
Sales Lots					CUP	CUP			CUP	CUP	9-6.139
Schools		A	A	A			CUP	CUP			9-6.125
Schools – Business and Vocational		A	A	A		A	CUP	CUP	CUP	CUP	9-6.125
Service Stations	CUP		CUP	CUP	CUP						9-6.164
Single-Family Dwelling							A <sup>1</sup>	A <sup>1</sup>			
Single-Room <u>Occupancy Units</u>			CUP								9-6.184
Small Family Day Care		A <sup>8</sup>	A <sup>8</sup>	A <sup>8</sup>		A <sup>8</sup>	A <sup>8</sup>				
Social and Service Organizations		A	A	A							
Sports Assembly			CUP	CUP	A						
Storage, Recycling and Dismantling of				CUP					A	A	9-6.131

Nonresidential Zones	A Allowed Use, Zoning Clearance Required CUP Conditional Use Permit Required AUP Administrative Use Permit Required □ Not Permitted										
	Permitted Uses By Zones										Special Regulation(s) )
	CN	CP	CR	CS	CT	CPK	DC	DO	IP	I	
Vehicles and Material											
Tasting Room	A	CUP	A	A	A	A	A	A	A	A	
Telecommunication Facility	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	
Temporary Events	A/ CUP <sub>3</sub>	CUP	A/ CUP <sup>3</sup>	A/ CUP <sup>3</sup>	A/ CUP <sup>3</sup>	A/ CUP <sup>3</sup>	A/ CUP <sub>3</sub>	A/ CUP <sub>3</sub>	A	A	9-6.177
Temporary Offices		A	A	A							9-6.176
Temporary or Seasonal Sales	A	A	A	A	A	A	A		A	A	9-6.174
Transit Stations			CUP	CUP	A	CUP	CUP	CUP	CUP	CUP	
Utility Facilities		CUP		CUP	CUP	CUP	CUP	CUP	CUP	CUP	
Utility Infrastructure	A	A	CUP	A	A	A	CUP	CUP	A	A	
Vehicle and Equipment Storage (Indoor) <sup>4</sup>				A		CUP			A <sup>4</sup>	A <sup>4</sup>	9-6.183
Vehicle and Equipment Storage (Outdoor) <sup>4</sup>				CUP <sup>4</sup>					CUP <sub>4</sub>	CUP <sub>4</sub>	9-6.183
Vehicle and Freight Terminals				CUP					CUP	CUP	
Warehousing				CUP		CUP			A	A	
Wholesaling and Distribution Center <sup>4</sup>		AUP	AUP	A <sup>4</sup>		A <sup>4</sup>			A <sup>4</sup>	A <sup>4</sup>	
Winery – Boutique			A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>	A <sup>4</sup>		A <sup>4</sup>	A <sup>4</sup>	
Winery – Production				CUP		CUP			A <sup>4</sup>	A <sup>4</sup>	

**Notes:** (These notes apply only to Table 3-2).

- 1 Residential uses allowed only on second and third floors. If a project is required to provide a unit in compliance with the Americans with Disabilities Act, the handicapped accessible unit may be located on a first floor. A first floor unit shall be located in a non-storefront location within a tenant space.
- 2 Multifamily dwellings permitted when located on the second floor or above, or within an existing residential structure of historical significance.
- 3 Temporary events requiring more than 3 days for onsite setup and teardown require the approval of a conditional use permit (Section 9-2.110).
- 4 Outdoor commercial and industrial sales and storage developments (as defined by Section 9-9.102) of 10,000 square feet or more require the approval of a conditional use permit (Section 9-2.110), even if such a development is listed as an allowable use in a particular zoning district.
- 5 Handcrafted and artisan food production shall be ancillary to the retail component.
- 6 Mobile food vending permitted on private property with owner's permission and City review of parking and access on-site. Mobile food trucks used as part of an event may be permitted in the right-of-way with the issuance of an Event Permit.
- 7 When no overnight stays of animals are included.
- 8 Permitted when in association with conforming and legal nonconforming residences.
- 9 Allowed above ground floor north of the creek. Conditional use permit required on ground floor on Palma, East Mall, West Mall Entrada, Traffic Way and on El Camino Real north of Atascadero Creek as designated in Figure 3-1, subject to all of the following findings:
  - a. The location and setting of the existing building is not ideal for pedestrian uses such as restaurants, retail or related uses.
  - b. The existing building and site improvements are designed exclusively for office uses and could not accommodate other uses.
  - c. The proposed new office use will be a significant contribution to economic development by providing new jobs, pedestrian traffic, and active uses in the downtown.
  - d. The proposed new office will meet parking, accessibility, and property development standards and will not result in new parking along Atascadero Creek, East Mall or West Mall.
  - e. The proposed new office building will provide a storefront and other architectural features that complement the pedestrian scale and retail environment desired within the downtown.

#### **Zoning District Abbreviations**

- CN – Commercial Neighborhood  
CP – Commercial Professional  
CR – Commercial Retail  
CS – Commercial Service  
CT – Commercial Tourist  
CPK – Commercial Park  
DC – Downtown Commercial  
DO – Downtown Office  
IP – Industrial Park  
I – Industrial

**Figure 3-1**



**Table 3-3 Public Zone Uses**  
**Allowed Land Uses and Permit Requirements**

Public Zones	A-Allowed Use, Zoning Clearance Required				
	CUP-Conditional Use Permit Required				
	AUP-Administrative Use Permit Required				
	☐-Not Permitted				
	Permitted Uses By Zones				Special Use Regulation(s)
	L	LS	P	OS	
Accessory Storage	A	A	-	-	9-6.103
Adult Day-Care Facility	-	-	CUP	-	-
Agricultural Accessory Uses	-	A	-	-	-
Amusement Services	A	CUP	-	-	-
Animal Hospitals	-	-	CUP	-	-
ATM	-	-	A	-	-
Bed and Breakfast	A	A	-	-	-
Broadcast Studios	-	-	A	-	-
Caretaker's Residence/Employee Unit	CUP	-	-	-	9-6.184
Cemeteries	CUP	CUP	CUP	-	-
Childcare Center	-	-	CUP	-	9-6.125
Churches and Related Activities	-	-	CUP	-	9-6.121

ITEM NUMBER:

B-3

DATE:

05/25/21

ATTACHMENT:

1A

Public Zones	A-Allowed Use, Zoning Clearance Required				
	CUP-Conditional Use Permit Required				
	AUP-Administrative Use Permit Required				
	☐-Not Permitted				
	Permitted Uses By Zones				Special Use Regulation(s)
	L	LS	P	OS	
Collection Stations	A	A	A	-	9-6.130
Day-Care	-	-	-	-	-
Eating and Drinking Places	CUP	CUP	-	-	-
Farmers' Market	A	A	A	-	-
Government Offices and Facilities	-	-	A	-	-
Health-Care Services	-	-	CUP	-	-
Home Occupation	-	A	-	-	-
Horticultural Specialties	-	CUP	-	-	-
Hotels, Motels	-	CUP	-	-	-
Indoor Recreation Services	CUP	CUP	A	-	-
Libraries, Museums	A	A	A	-	-
Medical-Extended Care Services: 6 Residents or Less	-	-	CUP	-	9-6.134
Medical-Extended Care Services: 7 Residents or More	-	-	CUP	-	9-6.134
Membership Organizations	A	-	CUP	-	-
Mini-Storage	-	-	CUP	-	-
Mortuary Services	-	-	CUP	-	-
Outdoor Recreation Services	A	CUP	A	-	9-6.123
Parking Lots	-	-	A	-	-
Parks and Playgrounds	A	A	A	A	-
Recreational Vehicle Parks	CUP	CUP	CUP	-	9-6.180
Residential Accessory Uses	-	A	-	-	9-6.106
Residential Care: 6 Residents or Less	-	-	CUP	-	9-6.125
Residential Care: 7 Residents or More	-	-	CUP	-	9-6.125
Schools	-	-	A	-	9-6.125
Schools—Business and Vocational	A	-	CUP	-	9-6.125
Single-Family Dwelling	-	A	CUP	-	-
Sports Assembly	CUP	-	-	-	-



Public Zones	A-Allowed Use, Zoning Clearance Required				
	CUP-Conditional Use Permit Required				
	AUP-Administrative Use Permit Required				
	☐-Not Permitted				
	Permitted Uses By Zones				Special Use Regulation(s)
	L	LS	P	OS	
Telecommunication Facilities	CUP	CUP	CUP	-	-
Temporary Dwelling	-	A	-	-	9-6.176
Temporary Events	A	A	A	-	9-6.177
Temporary Offices	-	-	A	-	-
Transit Stations	CUP	-	CUP	-	-
Utility Facilities	A	A	A	CUP	-
Utility Infrastructure	CUP	CUP	CUP	CUP	-

#### Zoning Districts Abbreviations

L—Recreation

LS—Special Recreation

P—Public

OS—Open Space

### **9-3.331: Mixed Use residential density**

Mixed-Use developments within commercial zoning districts that allow for multi-family uses shall have a maximum base density of 24 dwelling units per acre.

#### **9-3.430 Public districts allowable land uses.**

Table 3-3 identifies the uses of land allowed this Zoning Code in each public district, and the planning permit required to establish each use, in compliance with Chapters 9-1 and 9-2 of this code. Where the last column in the tables (“Specific Use Regulations”) includes a section number, the regulations in the referenced section apply to the use. Provisions in other sections of this article may also apply.

**Table 3-3 Public Zone Uses  
Allowed Land Uses and Permit Requirements**

<u>Public Zones</u>	<u>A Allowed Use, Zoning Clearance Required</u>				
	<u>CUP Conditional Use Permit Required</u>				
	<u>AUP Administrative Use Permit Required</u>				
	<input type="checkbox"/> <u>Not Permitted</u>				
	<u>Permitted Uses By Zones</u>				<u>Special Use Regulation(s)</u>
	<u>L</u>	<u>LS</u>	<u>P</u>	<u>OS</u>	
<u>Accessory Storage</u>	<u>A</u>	<u>A</u>	-	-	<u>9-6.103</u>
<u>Adult Day Care Facility</u>	-	-	<u>CUP</u>	-	-
<u>Agricultural Accessory Uses</u>	-	<u>A</u>	-	-	-
<u>Amusement Services</u>	<u>A</u>	<u>CUP</u>	-	-	-
<u>Animal Hospitals</u>	-	-	<u>CUP</u>	-	-
<u>ATM</u>	-	-	<u>A</u>	-	-
<u>Bed and Breakfast</u>	<u>A</u>	<u>A</u>	-	-	-
<u>Broadcast Studios</u>	-	-	<u>A</u>	-	-
<u>Caretaker's Residence/Employee Unit</u>	<u>CUP</u>	-	-	-	<u>9-6.184</u>
<u>Cemeteries</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	-	-
<u>Childcare Center</u>	-	-	<u>CUP</u>	-	<u>9-6.125</u>
<u>Churches and Related Activities</u>	-	-	<u>CUP</u>	-	<u>9-6.121</u>
<u>Collection Stations</u>	<u>A</u>	<u>A</u>	<u>A</u>	-	<u>9-6.130</u>
<u>Day Care</u>	-	-	-	-	-
<u>Eating and Drinking Places</u>	<u>CUP</u>	<u>CUP</u>	-	-	-
<u>Farmers' Market</u>	<u>A</u>	<u>A</u>	<u>A</u>	-	-
<u>Government Offices and Facilities</u>	-	-	<u>A</u>	-	-
<u>Health Care Services</u>	-	-	<u>CUP</u>	-	-
<u>Home Occupation</u>	-	<u>A</u>	-	-	-
<u>Horticultural Specialties</u>	-	<u>CUP</u>	-	-	-
<u>Hotels, Motels</u>	-	<u>CUP</u>	-	-	-
<u>Indoor Recreation Services</u>	<u>CUP</u>	<u>CUP</u>	<u>A</u>	-	-
<u>Libraries, Museums</u>	<u>A</u>	<u>A</u>	<u>A</u>	-	-
<u>Medical Extended Care Services: 6 Residents or Less</u>	-	-	<u>CUP</u>	-	<u>9-6.134</u>
<u>Medical Extended Care Services: 7 Residents or More</u>	-	-	<u>CUP</u>	-	<u>9-6.134</u>
<u>Membership Organizations</u>	<u>A</u>	-	<u>CUP</u>	-	-
<u>Mini-Storage</u>	-	-	<u>CUP</u>	-	-

<u>Public Zones</u>	<u>A Allowed Use, Zoning Clearance Required</u>				
	<u>CUP Conditional Use Permit Required</u>				
	<u>AUP Administrative Use Permit Required</u>				
	<input type="checkbox"/> <u>Not Permitted</u>				
	<u>Permitted Uses By Zones</u>				<u>Special Use Regulation(s)</u>
	<u>L</u>	<u>LS</u>	<u>P</u>	<u>OS</u>	
<u>Mortuary Services</u>	-	-	<u>CUP</u>	-	-
<u>Outdoor Recreation Services</u>	<u>A</u>	<u>CUP</u>	<u>A</u>	-	<u>9-6.123</u>
<u>Parking Lots</u>	-	-	<u>A</u>	-	-
<u>Parks and Playgrounds</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>A</u>	-
<u>Recreational Vehicle Parks</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	-	<u>9-6.180</u>
<u>Residential Accessory Uses</u>	-	<u>A</u>	-	-	<u>9-6.106</u>
<u>Residential Care: 6 Residents or Less</u>	-	-	<u>CUP</u>	-	<u>9-6.125</u>
<u>Residential Care: 7 Residents or More</u>	-	-	<u>CUP</u>	-	<u>9-6.125</u>
<u>Schools</u>	-	-	<u>A</u>	-	<u>9-6.125</u>
<u>Schools—Business and Vocational</u>	<u>A</u>	-	<u>CUP</u>	-	<u>9-6.125</u>
<u>Single-Family Dwelling</u>	-	<u>A</u>	<u>CUP</u>	-	-
<u>Sports Assembly</u>	<u>CUP</u>	-	-	-	-
<u>Telecommunication Facilities</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	-	-
<u>Temporary Dwelling</u>	-	<u>A</u>	-	-	<u>9-6.176</u>
<u>Temporary Events</u>	<u>A</u>	<u>A</u>	<u>A</u>	-	<u>9-6.177</u>
<u>Temporary Offices</u>	-	-	<u>A</u>	-	-
<u>Transit Stations</u>	<u>CUP</u>	-	<u>CUP</u>	-	-
<u>Utility Facilities</u>	<u>A</u>	<u>A</u>	<u>A</u>	<u>CUP</u>	-
<u>Utility Infrastructure</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	-

**Zoning Districts Abbreviations**

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L – RecreationLS – Special RecreationP – PublicOS – Open Space**9-3.500 Definitions.**

Amend the following land-use definitions in AMC 9-3.500 as follows:

**Agricultural Accessory Uses.** ~~Residential accessory uses that are customarily part of an small-scale and/or hobby agricultural activities incidental to the primary residential use of the property~~ including structures that are designed to house farm implements, hay, grain, poultry, livestock, or other horticulture products, ~~including noncommercial greenhouse that are incidental and secondary to a residential use.~~ This does not include garages, workshops, or other similar residential accessory structures for non-agricultural uses.

**Hotels, Motels.** Commercial transient lodging establishments, including hotels, motor hotels, motels, tourist courts or cabins, primarily engaged in providing overnight or otherwise temporary lodging for less than 30-days, with or without meals, for the general public. Such establishments shall not provide kitchen facilities in more than twenty-five percent (25%) of the units.

#### **9-4.107 Side setbacks.**

The side setback is measured at right angles to the side property line to form a setback line parallel to the side property line, which extends between the front and rear setback areas. The minimum side setback is to be as follows:

(a) A, RS, RSF, LSF and RMF Zones and Residential Uses in Commercial and Industrial Zones. All residential uses except for second story dwellings over commercial and industrial uses shall have a minimum side setback of five (5) feet, except as follows:

(1) Corner Lots. The side setback on the street side of a corner lot is to be a minimum of ten (10) feet.

(2) A Corner Lot Adjacent to a Key Lot. A side setback equal to one-half (1/2) the depth of the required front setback of the key lot shall be provided, except that:

(i) Where the corner lot is less than fifty (50) feet in width, the setback is to be a minimum of ten (10) feet;

(ii) Where an alley is between the corner lot and a key lot, the setback on the street side of the corner lot is to be five (5) feet.

(3) Accessory Buildings. A side yard may be used for an accessory building no greater than twelve (12) feet in height, provided that it is not used for human habitation or the keeping of animals and is either:

(i) Located no closer than ~~threefive~~ (35) feet to any property line;

(ii) Located on the rear half of the lot; or

(iii) Established on the property line as a common wall structure pursuant to subsection (a)(4) of this section, or as a zero lot line structure, provided that all applicable Uniform Building Code requirements are satisfied for a property line wall.

~~(43)~~ Common Wall Development. Any two (2) dwelling units, and/or their accessory garages, may be constructed on adjoining lots without setbacks between them provided that:

(i) The setback has been eliminated through subdivision map or conditional use permit approval;

(ii) A common wall or party wall agreement, deed restriction or other enforceable restriction has been recorded;

(iii) The side setbacks opposite the common wall property line are not less than two (2) times the minimum width required by this section; and

(iv) Common wall construction is in compliance with the Uniform Building Code.

(54) Zero Lot Line Development. A group of dwelling units on adjoining lots may be established so that all units abut one (1) side property line, provided that:

(i) The setback has been eliminated for an entire block through subdivision map or conditional use permit approval;

(ii) The modified setback requirements for the block are recorded as part of a land division map, deed restriction, or other enforceable restriction;

(iii) The side setback shall not be eliminated or reduced on the street side of a corner lot; and

(iv) Side setbacks opposite the zero setback property line are not less than twice the minimum required by this section.

(65) Access Easements. All access easements shall have a minimum setback of five (5) feet, measured from the edge of the easement.

(b) CN, CP, CR, CS, CT, CPK, IP, I and P Zones. No side setbacks are required. Ground floor residential uses are subject to the setback requirements of subsection (a) of this section.

(c) L and LS Zones. A minimum five (5) foot side setback is required.

(7) Additional height for buildings in RMF. Multifamily dwellings exceeding twenty-five (25) feet in height shall have a ten (10) foot setback for all portions of the building over twenty-five (25) feet in height.

#### 9-4.112 Measurement of height.

The height of a building or structure is to be measured as the vertical distance from the highest point of the structure to the average of the highest and lowest points where the exterior walls touch the finish grade. The measurement of heights for fencing, walls, arbors or hedges shall be subject to Section 9-4.128.

#### 9-4.113 Height limitations.

The maximum height for new structures is as follows:

(a) Limitation by Zone.

Zone	Maximum Height
A, RS, RSF, LSF	30 feet
CN, CP, CR, CS, CT	35 feet
CPK, IP, I	45 feet
LS, L, P	35 feet

Zone	Maximum Height
RMF	<del>30</del> 35 feet ( <del>not to exceed 2 stories</del> ) (portions of buildings exceeding 25' shall require additional setbacks in accordance with Section 9-4.107)

(b) Exceptions to Height Limitations.

(1) Planning Commission Waiver. The height limitations of this section may be modified through conditional use permit approval, provided the Planning Commission first finds the project will not result in substantial detrimental effects on the enjoyment and use of adjoining properties and that the modified height will not exceed the lifesaving equipment capabilities of the Fire Department.

(2) Height Adjustment. The height limitations specified by subsection (a) of this section may be adjusted by approval of an administrative use permit (Section 9-1.112) for a single-family residential building to allow additional height, to a maximum of forty (40) feet, provided that the required side and rear setbacks are increased one (1) foot in width for each foot of height over thirty (30) feet.

(3) Downhill Lot. Where the average front-to-back slope of a lot is greater than one (1) foot of fall in seven (7) feet of distance from the centerline of the street to the rear face of the proposed building, up to ten (10) feet may be added to the rear building face, which is to be excluded from the height measurement (Section 9-4.112).

(4) Uninhabited Structures. The height limits specified in subsection (a) of this section do not apply to the following structures (measurement of height is to be from the ground, as set forth in Section 9-4.112):

(i) Radio and television receiving antennas of the type customarily used for home radio and television receivers, when fifty (50) feet or less in height.

(ii) Transmitting antennas used by licensed amateur (ham) radio operators when fifty (50) feet or less in height.

(iii) Flagpoles fifty (50) feet or less in height.

(iv) Grain elevators, silos, water tanks, windmills, wind generators and all other similar structures not containing residential uses and located in the A, RS, CR, CS, CPK, IP and I Zones.

(v) Chimneys no more than one hundred (100) feet in height located in the CPK, IP and I Zones and all other chimneys and roof vents extending no more than two (2) feet above the height limit specified in subsection (a) of this section.

(vi) Industrial towers, nonportable equipment and other uninhabited structures no more than sixty (60) feet in height located in the CPK, IP and I Zones.

(vii) All portable construction equipment.

(viii) Public utility poles and structures for providing electrical and communications services.

(ix) Solar collectors not more than five (5) feet above the height limit specified in subsection (a) of this section.

(x) Satellite receiving and similar communication dishes and devices in commercial and industrial zones, when no more than ten (10) feet above the maximum height in the zone.

(5) Architectural Projections/Features. The height limitations of this section may be increased up to forty (40) feet through administrative use permit approval to allow for non-habitable architectural features including, but not limited to, varied roof forms, tower elements, and cupolas with the intent of encouraging creative building design.

(i) To approve an administrative use permit to increase height the following findings shall be made:

a. The additional height provides architectural interest and adds to a varied roofline.

b. The added features will not block solar access to adjacent properties.

#### **9-4.128 Fencing and screening.**

Standards for fencing and screening are established by this section to protect certain uses from intrusion, to protect the public from uses that may be hazardous, and to increase compatibility between different land uses by visual screening. Fencing is the enclosure of an area by the materials identified in subsection (c) of this section. Screening is the enclosure of an area by a visual barrier, which may include solid fencing or other materials, as specified in subsection (c) of this section.

(a) Fencing and Screening—Where Required. Within the urban services line, the uses and areas listed in this subsection shall be fenced and/or screened, as indicated. Unless otherwise specified, fencing and screening are to be a minimum height of six (6) feet. Fencing and screening materials of a height greater than three (3) feet shall not be located within a required front setback or side setback adjacent to a street.

(1) Mechanical Equipment. When located outside of a building, support equipment, including air conditioning and heating devices, but not including plumbing or exhaust vents, or chimneys, shall be screened to the height of the particular piece of equipment, as follows:

(i) Roof-Mounted Equipment. To be screened by architectural features from the view of abutting streets.

(ii) Equipment at Grade. When located on the ground adjacent to a building, mechanical equipment shall be screened by landscaping, a solid wall or fencing from the view of the street or surrounding properties.

This subsection does not apply to single-family residential uses.

(2) Outdoor Storage. To be screened on all sides by a wall or fencing.

(3) Public Utility Substations. To be screened on all sides in a manner that will provide an effective visual barrier as well as the necessary safety clearances required by order of the California Public Utilities Commission.

(4) Side and Rear Lot Lines. The side and rear property lines of all nonresidential uses are to be screened as follows:

(i) Adjacent to a Residential Use or Zone. A solid wall or fencing shall be located on side and rear property lines of any nonresidential or nonagricultural use abutting a residential use or zone.

(5) Swimming Pools. Yard areas with private swimming pools are to be fenced to discourage unsupervised access and use by small children. Such fencing is to be constructed per building code requirements.

(b) Exceptions to Fencing and Screening Requirements.

(1) Buildings Abutting Property Lines. Required screening or fencing may be omitted along any lot line where a building wall exists immediately abutting the lot line.

(2) Location Adjustment. Where property fencing or screening is required, the location may be adjusted by approval of an administrative use permit (refer to Section 9-1.112 of this title), so the fencing may be constructed at or within the setback line, provided the areas between the fence and the property lines are landscaped, or in rural areas, retained in their natural vegetative state.

(3) Planning Commission Modification. Any of the requirements of this section may be waived or modified through conditional use permit approval, provided the Planning Commission first finds that specifically identified characteristics of the site or site vicinity would make required fencing or screening unnecessary or ineffective.

(c) Standards for Fencing and Screening Materials. All fencing and screening shall be allowed as follows:

(1) Height. Fence and screen height shall be permitted as follows:

(i) RS/RR/RSF-Z/RSF-Y (with one (1) acre net or larger) Zones.

a. Fencing within a required front or corner yard setback may be up to five (5) feet in height, provided that the top two (2) feet remain a minimum of eighty percent (80%) visibility. The fence shall not impair safe sight distance for vehicular traffic nor result in any other potential adverse impact on human health and safety (refer to engineering standard: Minimum Sight Distance for Driveways and Intersecting Roads with Stop Control).

b. Fencing associated with agriculture type activities including, but not limited to, “deer fencing” and other fencing that is a minimum of eighty percent (80%) visible may be up to seven (7) feet in height. Chain link fencing, wrought iron fencing, and any other decorative type of fencing is not considered “agriculture” type fencing for the purposes of this subsection.

c. Fencing within a required side or rear setback may be a maximum of six (6) feet in height.

(ii) RSF-Y (less than one (1) acre net) /RSF-X/LSF-Z/LSF-Y/LSF-X/RMF-10/RMF-20.

a. Fencing within a required front or corner yard setback can be a maximum of four (4) feet in height.

b. Fencing within a required side or rear yard setback shall be a maximum of six (6) feet in height.

(iii) Residential Gates:

a. Gates are permitted in single-family residential zoning districts for private driveways

b. Gates shall be setback a minimum of 20-feet from the right of way in accordance with Engineering standards.

c. Gates shall be a maximum of 12-feet in height and shall remain residential in nature

d. Gateposts and other superstructures over site entrances and exits may be up to twelve (12) feet in height.

e. Gates shall comply with emergency access standards

f. Gates shall not swing open toward the street unless the maximum swing is not closer than 16 feet from the edge of the right of way.

g. Gates or associated structures shall comply with minimum sight-distance standards.

h. A construction permit shall be required for all gates that exceed 6-feet in height or contain electrical components.



(iv) Height Measurement. Fence height shall be measured from the adjacent grade of the downhill side of the wall, fence, or hedge. ~~Fencing and screening materials shall be measured from the finished grade of the uphill lot.~~

- a. Where fences or walls are located on retaining walls or berms, the height of the retaining wall or berm shall be considered as part of the overall height of the fence or wall if the retaining wall or berm exceeds 2-feet in height.
- b. If a retaining wall is terraced and separated by five (5) feet of horizontal space or greater, they shall be considered individual walls for the purposes of measuring height.

(2) The Design Review Committee (DRC) may grant an exemption to the front setback fencing requirement to a maximum of six (6) feet in height if proposed fence would be consistent with the neighborhood character and does not impair site distance for vehicular traffic, as reviewed by the City Engineer.

(3) Permit to Exceed Height. A minor conditional use permit approval is required where fencing is proposed to be greater than six (6) feet in height within or outside any required setback, with the exception of fencing described in subsection (c)(1)(i)(b) or subsection (c)(1)(iv)(a).

(4) Screening Materials Substitution. Where screening is required to be a solid wall or fence, the following materials may be substituted through adjustment (see Section 9-1.112 of this title), except where screening is required adjacent to a residential use or zone:

- (i) Landscape Screen. Screening plant materials may be substituted for a wall or fence, where:
  - a. Proposed plant materials are certified in writing by a registered landscape architect as having the capability of achieving sixty percent (60%) of total view blockage within eighteen (18) months of planting, and one hundred percent (100%) of total view blockage within thirty-six (36) months of planting; and
  - b. The applicant agrees in writing to install solid fencing after the expiration of thirty-six (36) months, in the event that the landscaping has not totally blocked the view of areas required to be screened.
- (ii) Berms. A landscaped berm may be substituted for a wall or fence, provided that the combination of berm and landscaping is no less than the required height of the fence or wall, and that the berm is constructed with a maximum slope of three to one (3:1), with side slopes designed and planted to prevent erosion, and with a rounded surface a minimum of two (2) feet in width at the highest point of the berm, extending the length of the berm. The berm shall be planted with shrubs, lawn or groundcover.
- (iii) Chain-Link Fencing. Vinyl-coated, chain-link fencing with evergreen landscape screen planting may be substituted for a solid wall or fence in commercial and industrial zones, except where screening fencing is required adjacent to residential uses and zones.

#### **9-6.103 Accessory storage.**

Where the principal building or use on a site is some use other than storage, and storage accessory to that use is also located on the site, the accessory storage is subject to the following standards (see also Section 9-6.140). A zoning approval is not required to establish accessory storage except when subsections (b) and (g) of this section requires such approval for a specific type of storage.

Where the principal building or use on a site is some use other than storage, and storage accessory to that use is also located on the site, the accessory storage is subject to the following standards (see also

Section 9-6.140). A zoning approval is not required to establish accessory storage except when subsections (b) and (g) of this section requires such approval for a specific type of storage.

(a) Outdoor accessory storage is limited to ten percent (10%) of the floor area of the principal building.

(1) Any size modification for outdoor accessory storage over ten percent (10%) of principal floor area will require a conditional use permit.

(b) Building Materials and Equipment. Building materials and equipment being used in a construction project on the same or adjacent site may be stored on or adjacent to the construction site as long as a valid building permit is in effect for construction on the premises. Building materials and equipment include stockpiles of construction materials, tools, equipment, and building component assembly operations. When storage is proposed on a lot adjacent to the construction site, the application for the project is to also describe the storage site. Temporary storage of construction materials on a site not adjacent to the construction is subject to Section 9-6.175.

(c) Commercial Vehicles. This subsection applies to the accessory storage of vehicles used for shipping and/or the delivery of freight and products in support of a business or used for other commercial activity, when such vehicles are larger than a standard passenger car, pickup truck or van. Storage means parking a commercial vehicle longer than for a single weeknight, weekend or holiday. The storage of vehicles as a principal use is subject to the standards of Section 9-6.183.

(1) Commercial vehicles are to be stored in an enclosed building unless otherwise allowed by the provisions of this code.

(2) The storage of agricultural vehicles in the A Zone is unrestricted.

(3) Commercial vehicles may be allowed in residential zones where the resident of the premises can show that:

(i) The site is of sufficient size to allow parking of the vehicle in the buildable area of the site; and

(ii) The number of such vehicles is limited to a maximum of one (1); and

(iii) The vehicle can be maintained on the site in a manner which will not be disturbing to nearby residents as a result of unsightly appearance, excessive noise, or operation between 9:00 p.m. and 7:00 a.m.; and

(iv) The vehicle due to its size, length or weight will not damage streets leading to the site beyond normal levels and will not create traffic safety problems due to maneuvering necessary to enter and exit the site; and

(v) There are no other suitable locations available to store the vehicle.

(d) Inoperative Vehicles. The storage or keeping of inoperative vehicles is subject to the following. Nothing in this title shall be construed as preventing the abatement of an inoperative vehicle which is found to be a nuisance:

(1) Vehicles Under Commercial Repair. The repair of vehicles is allowed only in commercial or industrial zones as provided by Chapter 9-3, except for repair of a personal vehicle by the vehicle owner on a site owned or rented by the vehicle owner. The storage of inoperative vehicles in a commercial or industrial zone for the purposes of repair, alteration, painting, impoundment or temporary storage by a towing service is subject to Section 9-6.168.

(2) Wrecked and Abandoned Vehicle Dismantling or Storage. Any area used for the dismantling of inoperative vehicles or for the storage of wrecked or abandoned vehicles not being dismantled or repaired is subject to Section 9-6.131.

(3) Automobiles Stored in Residential Areas. The storage of inoperative vehicles in a residential zone is limited to one vehicle when stored outdoors. Such storage may be located only where it is within the buildable area of the site. Inoperative vehicles may be abated as set forth in Chapter 9-8. Storage of such vehicles within an approved accessory building (Section 9-6.106) is not subject to limitation on the number of vehicles.

(d) Accessory Storage of Flammable and Combustible Liquids. The accessory storage of flammable and combustible liquids is subject to the following standards:

(1) Limitations on Quantity. The quantity of flammable or combustible liquids stored on a site shall be limited as follows:

(i) Residential Zones. Ten (10) gallons, unless authorized through precise plan approval. Excluded from this requirement is the storage of flammable liquids in the fuel tanks of self-propelled vehicles, mobile power or heat generators or similar equipment and the storage of paints, oils, varnishes or combustible mixtures when such liquids are stored for maintenance, painting or similar purposes. The storage of propane or other fuels which provide energy to heat a residence is also excluded from this limitation, when such storage is in tanks directly connected to the residence for consumption or when the quantity is limited to a reasonable reserve for personal use which is stored in an approved manner.

(ii) Agricultural, Commercial and Industrial Zones. Storage shall be limited to the following quantities on any single building site, unless greater quantities are authorized through conditional use permit approval:

Type of Storage		
Type of Liquid	Above Ground	Underground
Combustible	1,000 gallons	Unlimited
Flammable	1,000 gallons	20,000 gallons

(2) Setbacks. Aboveground storage facilities for flammable or combustible liquids shall be set back a minimum of fifty (50) feet from any property line and from any residential use on the same property.

(3) Additional Standards.

(i) All storage of bulk flammable liquids shall be underground; except as specified by subsection (d)(1)(i) of this section; except where a refining or similar industrial use has been allowed in the CPK, IP or I Zone; and except, where an automobile service station or other approved vendor of flammable liquids stores such liquids for sale in approved quantities and containers.

(ii) All aboveground storage of flammable and combustible liquids shall be within types of containers approved by the Fire Department.

(iii) Access, circulation and emergency fire equipment requirements of the Fire Department shall be provided or installed within thirty (30) days where such need has been identified and posted by the Fire Department.

(f) Recreational Vehicles in Residential Zones. The storage of recreational vehicles or dependent trailers or RV equipment (camper shells, etc.), airplanes, and boats is permitted as an accessory use in the RSF, LSF, RMF, RS, or A Zones as follows (the storage of recreational vehicles in other zones is subject to Section 9-6.183; the storage of mobile homes is subject to Section 9-6.142(c)):

(1) Location of Storage. Recreational vehicles are not to be stored in the required front setback area.

(2) Use. Recreational vehicles are not to be used for living, sleeping or housekeeping purposes except as provided by Section 9-6.176.

(g) Scrap and Junk. The outdoor storage of scrap, junk and miscellaneous articles and materials accessory to another use is limited to a maximum area of two hundred (200) square feet, with a maximum height of five (5) feet ~~except that entirely within a six (6) foot high solid wood or masonry fence or within a building, the outdoor storage of scrap, junk and miscellaneous articles and materials accessory to another use may be allowed up to one thousand (1,000) square feet when completely screened from neighboring properties and from the public right-of-way.~~ Such storage shall be located only where it is within the buildable area of the lot. The storage of scrap and junk as a principal use is subject to the standards of Section 9-6.131.

(h) Cargo Containers. Cargo containers (also referred to as “Seatrains” or shipping containers) are defined as a prefabricated metal structure designed for use as an enclosed truck trailer in accordance with Department of Transportation (DOT) standards. This does not include architecturally modified cargo containers used as a building material. The use of cargo containers for accessory storage purposes is permitted based on the following standards:

(1) Use of Cargo Containers.

(i) Cargo containers shall be utilized for accessory storage only. Occupancy shall be limited to a “U” occupancy consistent with the California Building Code (CBC) or its successor title.

(ii) Cargo containers shall not be used for permanent or temporary human occupancies, including, but not limited to, living, sleeping or other residential uses.

(2) Number of Cargo Containers Permitted.

(i) One (1) cargo container may be permitted on a commercial, industrial or single-family residential lot over one (1) gross acre in size, subject to Design Review Committee (DRC) review for neighborhood compatibility and approval of a building permit.

(ii) Two (2) or more cargo containers may be permitted with a minor conditional use permit (CUP) on a commercial, industrial, or single-family residential lot over one (1) gross acre in size, subject to Planning Commission review for neighborhood compatibility and approval of a building permit.

(3) Standards for Cargo Containers.

(i) Building Permit. A building permit is required for cargo containers over one hundred twenty (120) square feet in size. A cargo container which is one hundred twenty (120) square feet or less, is exempt from building permit requirements provided it meets property line and structure setbacks required by this title and does not have any utility connections.

(ii) Setbacks. Cargo containers shall be located in the rear half of the property in commercial, industrial and residential zones. Cargo containers shall not be permitted within the front or street facing

side yard setback of a residential property. Setbacks shall be consistent with underlying zone setback requirements and is consistent with the preceding subsections (1) and (2).

(iii) Foundation. Cargo containers shall be anchored on a foundation system capable of withstanding all imposed vertical and horizontal loads and consistent with all applicable codes. Any alterations to the container shall be designed and detailed by a licensed design professional. All foundations and alterations shall be approved by the Chief Building Official.

(iv) The cargo container may not occupy any required parking areas or obstruct any Fire Department access ways.

(4) Exemptions.

(i) Use of cargo containers for temporary on-site storage associated with a construction project is exempt from this section (refer to subsection (b)).

(ii) Use of cargo containers for temporary commercial storage may be allowed with the approval of an administrative use permit for a period not to exceed four (4) months.

#### **9-6.105 Home occupations.**

An accessory use of a dwelling unit for gainful employment involving the manufacture, provision, or sale of goods or services is subject to the standards of this section.

(a) Appearance, Visibility and Location. The standards of this section determine what physical changes may occur in a dwelling unit to accommodate a home occupation and where on a residential site a home occupation may be conducted.

(1) Changes to the Dwelling. The home occupation is not to change the residential character of the outside appearance of the building, either:

(i) By the use of colors, materials, lighting, signs or by the construction of accessory structures or garages visible from off-site and not of similar character as the residence; or

(ii) By the emission of noise, glare, flashing lights, vibrations or odors not commonly experienced in residential areas.

(2) Display of Products. The display of home occupation products for sale, in a manner visible from the public street or adjoining properties, is prohibited.

(3) Outdoor Activities. On sites of less than one (1) acre, the use shall be conducted entirely within a principal or accessory structure except instructional activities that may be performed outdoors. Outdoor storage of materials related to the home occupation is allowed only on parcels one (1) acre or larger (except as otherwise provided by Section 9-6.103), where such storage is to be screened from view of any street or adjacent property.

(4) Use of Garage or Accessory Structure. The use of a garage or accessory structure is allowed subject to Section 9-6.106, except that the conduct of the home occupation shall not preclude the use of the garage for vehicle parking unless any required replacement parking can be accommodated on-site.

(b) Area Devoted to a Home Occupation. The home occupation shall be incidental and subordinate to the principal use of the site as a residence.

(c) Employees. No person other than members of the household residing on the premises may be employed and working on the site, except that employees, including independent contractors, partners,

and similar employee-type relationships, may be permitted through administrative use permit approval (refer to Section 9-1.112) as follows:

- (1) The number of employees shall be unlimited, if the following criteria can be complied with:
  - (i) The employees do not work at or report to the site of the home occupation during, or immediately before or after, the normal operating hours of the business.
  - (ii) No additional vehicles, equipment, or outside storage shall occur at the residence as a result of the increased number of employees.
- (2) A maximum of two (2) employees, if the following criteria can be complied with:
  - (i) No additional client vehicles are generated to the premises as a result of the increased number of employees.
  - (ii) The function of the employees in working on the site is to provide direct service to the employee-employer rather than to the clients of the business.
  - (iii) It is necessary for the operation of the business to have the employees working at the site of the home occupation.
  - (iv) Any additional vehicles, equipment, or outside storage can be maintained on the site in compliance with subsection (a) of this section.
  - (v) The allowance of employees will not have any adverse effect on the surrounding residential area.
- (d) Hours of Operation. Hours of operation are unrestricted except that home occupations which generate sounds audible from off-site shall be limited to the hours from 7:00 a.m. to 7:00 p.m., provided that such home occupation complies with the standards of Chapter 9-14.
- (e) Limits on the Kinds of Home Occupations Allowable. Subject to all of the standards of this section, allowable home occupations consist of:
  - (1) Office-type personal or business services (including personal instruction such as music lessons or contracting services not involving on-site storage of materials or equipment) that do not involve the presence of more than one (1) client vehicle at any one (1) time;
  - (2) Handcraft or artwork production, including but not limited to pottery and ceramics, artistic glass or metalwork, electronic components, woodcarving and woodworking (except for mass-production operations such as cabinet shops), antique furniture restoration, painting and photography, except when such use involves on-site use of equipment requiring more than standard household electrical current at one hundred ten (110) or two hundred twenty (220) volts or that produces noise (refer to Chapter 9-14), dust, odor or vibration detrimental to occupants of adjoining dwellings.
  - (3) The personal sale of cosmetics, personal or household products (except appliances), or other goods or products; when such sales occur on the premises of the purchaser, provided that wholesale sales may occur pursuant to subsection (f) of this section, or occur off the premises in some other approved location.
  - (4) Small-scale agricultural accessory uses and horticultural specialties.
- (f) Sale of Products. On-site retail sales of the products of a home occupation are prohibited, except:

(1) Garage sales or the sale of handcrafted items and artwork produced on-site are allowed not more than twice per year, for a maximum of two (2) days per sale; and

(2) Home distributors of cosmetics and personal or household products may supply other approved home occupation proprietors.

(3) Agricultural produce stands are permitted consistent with section 9-6.117

(g) Signing. One (1) identification sign with a maximum area of two (2) square feet may be erected pursuant to Chapter 9-15. A commercial vehicle carrying any sign identifying the home occupation and parked on or adjacent to the residential site visible from the public street is included in determining the maximum allowable area of on-site fixed signs.

(h) Parking and Traffic. Traffic generated by a home occupation is not to exceed the volume normally expected for a residence in a residential neighborhood. All parking needs of the home occupation are to be met off the street. For purposes of this section, normal residential traffic volume means up to ten (10) trips per day. This subsection does not apply to garage or handcraft sales pursuant to subsection (f)(1) of this section.

**9-6.106 Residential accessory uses.**

The standards of this section apply to the specific types of residential accessory uses and structures as listed. Standards for agricultural accessory structures are subject to section 9-6.109. Agricultural accessory structures for the keeping of animals are subject to Section 9-6.~~409~~112.

(a) Swimming Pools. Swimming pools, including hot tubs, spas, and related equipment, may be located within any required side or rear setback, provided that they are no closer than eighteen (18) inches to a property line (additional setbacks may be required by the adopted building code), and provided that they are fenced as required by Section 9-4.128.

(b) Detached Accessory Structures. Any detached accessory structure intended for residential accessory uses and accessory storage.

(1) Limits on Use. An accessory structure may be constructed or used solely for noncommercial hobbies or amusements; for maintenance of the principal structure or yards; for artistic endeavors such as painting, photography or sculpture; for maintenance or mechanical work on vehicles owned or operated by the occupants; for an approved home occupation; or for other similar purposes.

(2) Floor Area. The gross floor area of a detached accessory structure is not to exceed one hundred percent (100%) of the gross floor area of the principle structure, up to 3,000 square feet.

(i) The floor area may be increased by approval of an administrative use permit (Section 9-1.112) to allow additional floor area over the specified limits, when consistent with the appearance and design criteria in section 9-6.106 (3) and when additional findings can be made to support an increased size.

(3) Appearance and Design. An accessory structure that exceeds fifty percent (50%) of the gross floor area of the principle structure shall adhere to the following criteria:

- (i) Accessory structure shall not be located between the primary structure and the public roadway
- (ii) Accessory structure shall be compatible with the pattern of development in the neighborhood (there are similar structures on adjacent properties, and properties are of a size, nature and topography so as to not create a significant aesthetic impact)
- (iii) Accessory structure is compatible or complementary with the architectural style of the primary structure.



- (iv) The floor area of the accessory structure is equal or lesser than the floor area of the primary structure
  - (v) The accessory structure is located on a conforming lot.
  - (vi) The accessory structure can be built to avoid substantial grading and the removal of significant native trees
  - (vii) The accessory structure does not block sunlight for adjacent properties, alter site distance for roads or driveways, nor substantially alter the visual quality of the property.
- (34) Residential accessory structures one hundred twenty (120) square feet or less are exempt from requiring a permit if the structure is incidental to the primary use and meets the following requirements:
- (i) The structure does not create a nuisance;
  - (ii) The use of the structure is permitted under its zoning;
  - (iii) The structure meets the property's rear and side yard minimum setback requirement of three (3) feet if the structure is less than twelve (12) feet in height;
  - (iv) If the structure is more than twelve (12) feet in height, standard setback shall be required regardless of exemption;
  - (v) The accessory structure is located outside of the required front yard setback;
  - (vi) A minimum (5) foot setback is required between structures. If structures are abutting, the aggregate area of the buildings shall be considered one (1) building and shall require a building permit.
  - (vii) Hoop structures/greenhouses: Limited to two (2) per residential property. Additional structures may be approved with DRC approval.
- (45) Number of Structures. The number of non-exempt accessory structures requiring a building permit shall be limited to two (2) structures.
- (c) Mini-bike, motorcycle, dirt bike or similar two (2) or more wheel motor vehicle riding is allowed subject to the following limitations:
- (1) No more than two (2) such vehicles shall be operating at the same time.
  - (2) Operation is limited to a maximum of two (2) hours in a day—Limit applies even if only one (1) such vehicle is being operated.
  - (3) Operation is limited to a maximum of eight (8) hours in a week:
    - (i) This limit applies even if only one (1) such vehicle is operated;
    - (ii) A week shall be measured from Monday through Sunday.
  - (4) Notwithstanding the above, no such use shall be allowed prior to noon on Sundays.
- (56) Any violations to the above-mentioned limitations are subject to cost recovery for responses to disturbances, as listed in Section 9-14.14.
- (d) Exceptions to Accessory Structure Standards.
- (1) Detached accessory structures that deviate from requirements are subject to the approval of a minor conditional use permit.
  - (2) Any detached accessory structure in excess of the two (2) structures permitted or when multiple exempt accessory structures (less than one hundred twenty (120) square feet) are constructed on the premises that are no longer accessory uses to the primary unit as determined by the Community Development Director is subject to the approval of a minor conditional use permit.



(e) Agricultural accessory uses. This subsection applies to small-scale agricultural uses that are incidental to a primary use in residential zoning districts.

(1) Hobby crop production and processing. Incidental crop production and small-scale processing is permitted subordinate to the residential use of the property. Any accessory structures used for this purpose must comply with accessory structure standards of this section.

(i) Agriculture intended for commercial use must also comply with Home Occupations standards as listed in Section 9-6.105.

(2) Produce stands are permitted in compliance with Section 9-6.117.

(3) Farm Animal Raising is permitted in compliance with Section 9-6.112.

#### **9-6.112 Farm animal raising.**

The raising or keeping of farm animals incidental to a residential use is allowed subject to the standards of this section, provided that these standards do not apply to domesticated household pets such as cats and dogs, which are governed under section 4-1.119.

(a) Minimum Site Area. The minimum site area of a parcel used for farm animal raising shall be as specified in this subsection, unless a smaller site area is allowed as set forth in subsection (h) of this section. Adjacent parcels may be used to achieve the minimum site area by administrative use permit approval (Section 9-1.112) provided that there is a written agreement with the owner of the adjacent parcel(s); that said adjacent property is accessible for use by the animals for corrals, pens, pasturing or similar activity; that said adjacent property is not necessary to comply with minimum site area or animal density requirements for animals on its own site; and that any such adjustment shall only be valid for the duration of the agreement.

(1) Large Animals.

(i) Horses, burros, donkeys, and similar equines: One (1) acre.

(ii) Cows, steer, and similar bovines: One (1) acre.

(iii) Pigs and swine: One (1) acre.

(2) Small Animals.

(i) Goats, sheep and similar ovines: One-half (1/2) acre.

(ii) Poultry (and similar ground birds): None.

(iii) Rabbits (and other non-carnivorous animals of similar size): None.

(iv) Turkeys: One-half (1/2) acre.

(v) Birds (including pigeons and other caged birds): None.

(b) Setbacks. All buildings used to house farm animals including livestock and poultry buildings, barns, stables, lofts, coops, and similar accessory structures are subject to the setback requirements of Section 9-6.109. All other animal enclosures including corrals, pens, feed areas, paddocks, uncovered stables and similar enclosures are subject to the setback requirements of this subsection. The occasional grazing of domestic animals in these setbacks is allowed provided that the pasture area is adequately fenced or that the grazing animal is securely restrained. Setbacks shall be measured from the nearest building used for residential purposes on adjacent property. Animals may be maintained at lesser setbacks when they were established prior to the residence on the adjacent property provided that the animals are

continuously in compliance with subsection (c) of this section. If the animals are not so maintained, they may be required to comply with these setbacks.

- (1) Large Animals.
  - (i) Equines: Fifty (50) feet.
  - (ii) Bovines: Fifty (50) feet.
  - (iii) Swine: One hundred (100) feet.
- (2) Small Animals.
  - (i) Ovines: Fifty (50) feet.
  - (ii) Poultry: Twenty-five (25) feet.
  - (iii) Rabbits: Twenty-five (25) feet.
  - (iv) Turkeys: Fifty (50) feet.
  - (v) Birds: None.

(c) Maintenance. All buildings housing domestic animals, all animal enclosures, and all pasture areas shall be maintained free from litter, garbage and the accumulation of manure. Premises shall be maintained in a neat and sanitary manner. If farm animals are not maintained in compliance with these standards, or are otherwise allowed to become a nuisance, the Planning Department shall initiate enforcement proceedings as provided by Chapter 9-8.

(d) Special Requirements. The keeping of specific domestic animals is subject to the special standards in this subsection in addition to other standards set forth in this section.

- (1) Equines. None.
- (2) Bovines. None.
- (3) Swine. The maximum number of swine allowed on any parcel is three (3) sows and one (1) boar regardless of animal equivalency units. ~~A greater number of swine constitute a hog ranch which is not permitted in any zoning district.~~
- (4) Ovine. None.
- (5) Poultry. ~~All poultry shall be contained in coops or pens and not be allowed to run free on a site.~~ The maximum number of poultry allowed on any parcel is forty (40) (two (2) regardless of animal equivalency units). ~~A greater number of poultry constitute a chicken ranch and shall be subject to Section 9-6.115 if allowed by a particular zoning district.~~
- (6) Rabbits. All rabbits shall be contained in coops or pens and not be allowed to run free on a site. The maximum number of rabbits allowed on any parcel is forty (40) regardless of (two (2) animal equivalency units). ~~A greater number of rabbits constitute a rabbit farm and shall be subject to Section 9-6.115 if allowed by a particular zoning district.~~
- (7) Turkeys. All turkeys shall be contained in coops or pens and not be allowed to run free on a site. The maximum number of turkeys allowed on any parcel is eight (8) (four (4) regardless of animal equivalency units).
- (8) Birds. None.

(e) Establishment of Animal Equivalency Units. Animal equivalency units are established in this subsection in order to define relationships among domestic animals of various sizes for use in determining allowable animal density.

(1) Large Animals.

(i) Equines: Each equine equals one (1) animal equivalency unit.

(ii) Bovines: Each bovine equals one (1) animal equivalency unit.

(iii) Swine: Each swine equals one (1) animal equivalency unit.

(2) Small Animals.

(i) Ovine: Two (2) ovine equal one (1) animal equivalency unit.

(ii) Twenty (20) poultry equal one (1) animal equivalency unit.

(iii) Rabbits: Twenty (20) rabbits equal one (1) animal equivalency unit.

(iv) Turkeys: Two (2) turkeys equal one (1) animal equivalency unit.

(v) Birds: Not applicable.

(f) Allowable Animal Density. The maximum allowable animal density for a site is established by this subsection, unless a larger number is allowed as set forth in subsection (h) of this section.

(1) A Zone. No density limitations.

(2) RS Zone. Three (3) animal equivalency units per acre, provided that, for the first two (2) acres, no more than one (1) large animal shall be allowed for each full one-half (1/2) acre.

(3) RSF Zone. Two (2) animal equivalency units per acre, provided that no more than one (1) large animal shall be allowed for each full one-half (1/2) acre.

(g) Method of Calculating Animal Density. The method of calculating animal density is established by this subsection. The lot size (in gross acres) is multiplied by the allowable animal density (in animal equivalency units per acre) for the particular zoning district. The product is the maximum number of animal equivalency units allowed on the site. As an example, a 1.9 acre parcel in the RS Zone would allow 5.7 animal equivalency units which can be rounded off to six (6) as provided by Section 9-1.109(b)(4). This would allow two (2) equivalency units for large animals and four (4) equivalency units for small animals.

(1) Birds. Birds shall not be restricted as to density and shall not affect the allowable animal density on a parcel.

(2) Fraction of an Equivalency Unit. Since rounding off to whole numbers is provided for (Section 9-1.109), there will be no fractional equivalency units. Small animal equivalency units may not be divided between the various small animal subcategories. For example, ten (10) rabbits does not equal one-half (1/2) animal equivalency units and ten (10) rabbits and ten (10) poultry do not add together as one (1) animal equivalency unit.

(3) Unweaned Offsprings. Unweaned offsprings are permitted and shall not affect the allowable animal density on a parcel.

(h) Modification of Certain Standards. The minimum site area and allowable animal density standards set forth in this section may be adjusted subject to compliance with the criteria set forth in this section, except that these standards may also be modified through conditional use permit approval (refer

to Section 9-2.110) if these criteria cannot be satisfied. The setback, maintenance and special requirements standards may not be modified by conditional use permit.

(1) Youth Projects. An adjustment not to exceed one (1) additional animal equivalency unit per acre or an adjustment to reduce the minimum site area by no more than twenty-five (25) percent may be granted for a youth project sponsored by a recognized organization, subject to the following criteria:

(i) The project is for a limited duration with a known termination date at which time the project animal will be removed from the site and the site brought into conformance with all applicable standards; and

(ii) There is an adult project supervisor who has reviewed and approved, in writing, the project and who can take corrective action if necessary regarding the project; and

(iii) All other standards of the section including setbacks, maintenance and special standards applicable to the project are and will be continuously satisfied; and

(iv) The site otherwise conforms to the standards set forth in the section; and

(v) All animals maintained on the site are owned by the residents of the premises; and

(vi) The youth involved in the project has demonstrated in prior adjustments, if applicable, the responsibility to maintain the project in a satisfactory manner.

(2) Small-Scale Breeding. An adjustment not to exceed one (1) animal equivalency unit for each of the first two (2) acres and two (2) animal equivalency units for each remaining acre may be granted for small-scale breeding for commercial purposes which does not exceed the special standards of subsection (d) of this section, subject to the following criteria:

(i) The site is located outside the urban services line; and

(ii) The site contains a minimum of three (3) acres; and

(iii) Secure enclosures are provided for any stud animals; and

(iv) Setbacks for any agricultural accessory buildings and animal enclosures are one hundred (100) feet from adjacent property lines; and

(v) A business license and home occupation permit (Section 9-6.105) can be secured.

(i) Other Animals. Domestic animals not specified in this section shall be reviewed by the Planning Director and shall be placed in the category which the animals most closely resemble.

(j) The grazing of animals is permitted when an individual property adheres to the density regulations of this section and may occur regardless of establishment of a primary use.

#### **9-6.113 ~~Interim agricultural uses(Reserved).~~**

~~—This section applies to crop production and grazing activities when located within the urban services line. This section does not apply to the keeping of animals for personal use, which is included under Section 9-6.112.~~

~~—(a) Crop Production. The continuance or establishment of crop production activities on land within the urban services line is not limited by this title.~~

~~—(b) Grazing. Grazing operations shall not be established within the urban service line after the effective date of this title, except in an agriculture zone or a residential suburban zone where such~~

~~operations are in conformity with the provisions of Section 9-6.112 or are located on sites of twenty (20) acres or larger.~~

### 9-9.102 General Definitions.

Amend the definition of Agricultural Accessory Uses in AMC 9-9.102 as follows:

**Lot, corner: side and front.** A corner lot is located immediately adjacent to the intersection of two (2) public vehicular rights-of-way, including railroads. ~~The narrowest frontage of a corner lot facing the street is the front and the longest frontage facing the intersecting street is side, regardless of the direction in which the dwelling faces (see Figure 9-D).~~

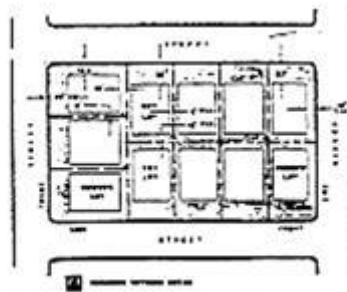


FIGURE 9-D: CORNER LOT AND KEY LOT