



# *City Council Agenda*

City of Campbell, 70 North First Street, Campbell, California

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## **REGULAR MEETING OF THE CAMPBELL CITY COUNCIL/SUCCESSOR AGENCY**

Tuesday, April 19, 2016 – 7:30 p.m.  
Council Chamber – 70 N. First Street

### **CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE**

Pledge: Janie Kelly

### **SPECIAL PRESENTATIONS AND PROCLAMATIONS**

### **COMMUNICATIONS AND PETITIONS**

#### **ORAL REQUESTS**

**NOTE:** This portion of the meeting is reserved for persons wishing to address the City Council on any matter not on the agenda. Persons wishing to address the Council are requested, but not required to complete a Speaker's Card. Speakers are limited to two (2) minutes. The law generally prohibits the Council from discussion or taking action on such items. However, the Council may instruct staff accordingly regarding Oral Requests.

### **COUNCIL ANNOUNCEMENTS**

#### **CONSENT CALENDAR**

**NOTE:** All matters listed under consent calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of City Council, City staff, or a member of the public. Any person wishing to speak on any item on the consent calendar should ask to have the item removed from the consent calendar prior to the time the Council votes to approve. If removed, the item will be discussed in the order in which it appears.

- 1. Minutes of Study Session of April 4, 2016**  
**Recommended Action:** Approve the Study Session Minutes.
- 2. Minutes of Study Session of April 5, 2016**  
**Recommended Action:** Approve the Study Session Minutes
- 3. Minutes of Regular Meeting of April 5, 2016**  
**Recommended Action:** Approve the Regular Meeting Minutes.
- 4. Approving Bills and Claims**  
**Recommended Action:** Approve the bills and claims in the amount of \$1,862,362.89.

5. **Accept Donation of \$5,000 the Campbell Community Endowment Fund for the Campbell Historical Museum & Ainsley House Education Field Trip Programs**  
Recommended Action: Accept a donation of \$5,000 the Campbell Community Endowment Fund for the Campbell Historical Museum & Ainsley House Education Field Trip Programs
6. **Destruction of Certain City Records (Resolution/Roll Call Vote)**  
Recommended Action: Adopt a resolution authorizing the destruction of certain City records.
7. **Second Reading of Ordinance 2201 Approves Forming the Campbell Industrial Development Authority (Ordinances Second Reading/Roll Call Vote)**  
Recommended Action: Approve the second reading and adopt Ordinance 2201 approving the formation of the Campbell Industrial Development Authority.

#### **PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES**

8. **Public Hearing to Consider the City-initiated Zoning Text Amendment (PLN2016-32) to Amend Campbell Municipal Code Sec. 21.18.140 (Undergrounding of Utilities) to Exempt Development of Single-Family Residential Properties Located Along Local Streets from the Utility Undergrounding Requirements ( Introduction of Ordinance/Roll Call Vote)**  
Recommended Action: Introduce an Ordinance amending Campbell Municipal Code Sec. 21.18.140 (undergrounding of Utilities) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements.
9. **Approval of 2016-17 Schedule of Fees and Charges (Resolution/Roll Call Vote)**  
Recommended Action: Approve resolution adopting the FY 2016-17 (FY 17) Schedule of Fees and Charges to be effective July 1, 2016.
10. **Public Hearing and Introduction of an Ordinance Amending Provisions of the Campbell Municipal Code to Revise the Business Tax Rates (First Reading of Ordinance/Roll Call Vote)**  
Recommended Action: Introduce an Ordinance amending provisions of the Municipal Code to revise business license tax rates.

#### **SUCCESSOR AGENCY NEW BUSINESS**

11. **Adopt a Resolution of the City of Campbell Successor Agency Approving Issuance of Refunding Bonds in Order to Refund Outstanding Bonds and Other Indebtedness of the Dissolved Redevelopment Agency, Approving Execution and Delivery of an Indenture of Trust and Other Documents Relating Thereto (Resolution/Roll Call Vote)**  
Recommended Action: Adopt a resolution of the City of Campbell Successor Agency approving the issuance of refunding bonds in order to refund outstanding

bonds and other indebtedness of the dissolved City of Campbell Redevelopment Agency, approving the execution and delivery of an Indenture of Trust, Escrow Deposit and Trust Agreement and other related documents.

## **NEW BUSINESS**

12. **New Campbell Water Tower Lighting Policy (Resolution/Roll Call Vote)**  
Recommended Action: Adopt a resolution to approve the new policy on lighting the Campbell Water Tower.
13. **BMR Eligibility Determination (Resolution/Roll Call Vote)**  
Recommended Action: Deny the application for the below market rate home, finding that the Le/Nguyen household is ineligible to qualify for a below market rate home; and direct staff to advise the developer to allocate the home to an eligible household.
14. **Authorize the City Manager to Execute a Professional Service Agreement with De Novo Planning Group for Facilitation and Preparation of the Envision Campbell Plan (Resolution/Roll Call Vote)**  
Recommended Action: Review the final contract which includes the previously approved changes to the consultant Scope of Work; review financial cost breakdown for the total estimated project cost; adopt a resolution authorizing the City Manager to execute a Professional Services Agreement with De Novo Planning Group for facilitation and preparation of Envision Campbell Plan in an amount not to exceed \$95,877 for a total contract amount not to exceed \$1,054,542; and approve a budget adjustment in the amount of \$914,642.
15. **Authorize the Expansion of Property Assessed Clean Energy (PACE) Financing Providers in the City of Campbell (Resolutions/Roll Call Vote)**  
Recommended Action: Adopt resolutions consenting to the inclusion of properties within the City of Campbell incorporated area for the following Property Assessed Clean Energy (PACE) programs to assist property owners with financing renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure: in the California Statewide Communities Development Authority (CSCDA) Open PACE Programs; the California HERO Program and approving an Amendment to the Joint Powers Agreement approving associate membership in the Western Riverside Council of Governments; the California Home Finance Authority (CHF) Community Facilities District No. 2014-1 (Clean Energy) and approving associated membership in CHF; and the CHF PACE Program and approving associated membership in CHF.

## **COUNCIL COMMITTEE REPORTS**

16. **City Councilmember Reports/Updates on Committee Assignments**  
Recommended Action: Report on committee assignments and general comments.

## **ADJOURN**

In compliance with the Americans with Disabilities Act, listening assistive devices are available for all meetings held in the City Council Chambers. If you require accommodation, please contact the City Clerk's Office, (408) 866-2117, at least one week in advance of the meeting.



# CITY COUNCIL MINUTES

City of Campbell, 70 North First Street, Campbell, California

## CAMPBELL CITY COUNCIL STUDY SESSION

Monday, April 4, 2016 - 6:30 p.m.

Council Chamber – 70 N. First Street

**NOTE:** No action may be taken on a matter under Study Session other than direction to staff to further review or prepare a report. Any proposed action regarding items on a Study Session must be agendized for a future Regular or Special City Council meeting.

**Note:** This Study Session was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

This meeting was recorded and can be viewed in its entirety at [www.cityofcampbell.com/agendacenter](http://www.cityofcampbell.com/agendacenter).

### CALL TO ORDER/ROLL CALL

The City Council of the City of Campbell convened this day in the Council Chamber of City Hall, 70 N. First Street, Campbell, California, to discuss FY 2017 Budget Program Overviews and Work Plans.

### Roll Call:

Present: Councilmembers: Resnikoff, Kotowski, Cristina, Gibbons, Baker

Absent: Councilmembers: None

**Staff Present:** Mark Linder, City Manager; Bill Seligmann, City Attorney; Wendy Wood, City Clerk; Al Bito, Deputy City Manager; Jill Lopez, Human Resources Manager; Margarita Mendoza, Administrative Analyst; Dave Carmichael, Police Chief; Jesse Takahashi, Finance Director; Sharif Etman, Finance Manager; Jeff Gershaneck, IT Manager; Bill Bruckart, Building Official; Todd Capurso, Public Works Director; Fred Ho. Interim City Engineer; Alex Mordwinow, Public Works Superintendent; Regina Maurantonio, Recreation and Community Services Director; and Natasha Bissell, Recreation Services Manager.

### NEW BUSINESS

#### 1. **Program Overviews and Work Plans**

Recommended Action: Conduct Study Session and provide direction to staff.

Department Heads presented the major work plan items for their respective department for FY 2017.

### PUBLIC COMMENT

Mayor Baker asked for public comment.

Jo-Ann Fairbanks, Campbell resident, spoke about app development; issues with the search function on the City's website; and commented on the good job staff is doing maintaining Jack Fisher Park.

Mayor Baker asked if anyone else in the audience wished to speak on this item. There being no one else wishing to speak Mayor Baker closed the public comment.

Council listened to the presentations and public comment and provided general feedback to staff.

**ADJOURN**

Mayor Baker adjourned the meeting at 8:16 p.m.

APPROVED:

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Jason T. Baker, Mayor

ATTEST:

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Wendy Wood, City Clerk

# CITY COUNCIL MINUTES

City of Campbell, 70 North First Street, Campbell, California



## CAMPBELL CITY COUNCIL STUDY SESSION

Tuesday, April 5, 2016 - 6:30 p.m.  
Council Chamber – 70 N. First Street

This Study Session was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

This meeting was recorded and can be viewed in its entirety at [www.cityofcampbell.com/agendacenter](http://www.cityofcampbell.com/agendacenter).

NOTE: No action may be taken on a matter under Study Session other than direction to staff to further review or prepare a report. Any proposed action regarding items on a Study Session must be agendized for a future Regular or Special City Council meeting.

The City Council of the City of Campbell convened this day in the Council Chamber of City Hall, 70 N. First Street, Campbell, California, to discuss the Park Dedication Fund.

Meeting convened at 6:37 p.m. due to the late adjournment of the Executive Session.

### Roll Call:

Present: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker

Absent: Councilmembers: None

**Staff Present:** Mark Linder, City Manager; Bill Seligmann, City Attorney; Wendy Wood, City Clerk; Todd Capurso, Public Works Director; Alex Mordwinow, Public Work Superintendent; Regina Maurantonio, Recreation and Community Services Director; Natasha Bissell, Recreation Services Manager

### NEW BUSINESS

1. **Park Dedication Fund**

Recommended Action: Conduct Study Session and provide direction to staff.

Public Works Director Capurso gave a brief introduction of this item.

Recreation Services Manager Bissell presented staff report dated April 5, 2016.

### PUBLIC COMMENT

Mayor Baker asked for public comment.

Jo-Anne Fairbanks, Campbell resident, spoke about possible joint service agreements with schools; encouraged looking at mini parks; mini spaces; business developments and the Dell Avenue Area Plan.

Charles Gibson, Campbell resident, spoke about creating a comprehensive parks and open space plan with input from the community.

Mayor Baker asked if anyone else in the audience wished to speak on this item. There being no one else wishing to speak Mayor Baker closed the public comment.

Council listened to the presentation and public comment. Council provided general feedback and would like the pool feasibility study and Community Center play lot included in the proposed CIP.

**ADJOURN**

Mayor Baker adjourned the meeting at 7:37 p.m.

APPROVED:

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Jason T. Baker, Mayor

ATTEST:

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Wendy Wood, City Clerk

# CITY COUNCIL MINUTES

City of Campbell, 70 North First Street, Campbell, California



## CITY COUNCIL EXECUTIVE SESSION

Tuesday, April 5, 2016 – 6:00 p.m.

Ralph Doetsch Conference Room - 70 N. First Street

- A. **Personnel - Pursuant to G.C. Section 54957: Public Employee Performance Evaluation**
- B. **Litigation**
- C. **Real Property**
- D. **Labor Negotiations**

Council met in Executive Session to discuss item A. Executive session adjourned at 6:36 p.m.

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## REGULAR MEETING OF THE CAMPBELL CITY COUNCIL/SUCCESSOR AGENCY

Tuesday, April 5, 2016 – 7:30 p.m.  
Council Chamber – 70 N. First Street

Note: This Regular Meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

This meeting was recorded and can be viewed in its entirety at [www.cityofcampbell.com/agendacenter](http://www.cityofcampbell.com/agendacenter).

### CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The City Council/Successor Agency of the City of Campbell convened this day in the regular meeting place, the Council Chamber of City Hall, 70 N. First Street, Campbell, California.

Meeting convened at 7:41 p.m. due to the late adjournment of the Study Session.

### Roll Call:

Present: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker

Absent: Councilmembers: None

## **SPECIAL PRESENTATIONS AND PROCLAMATIONS**

There were no special presentations and proclamations.

## **COMMUNICATIONS AND PETITIONS**

There were no communications and petitions.

## **ORAL REQUESTS**

**NOTE:** This portion of the meeting is reserved for persons wishing to address the City Council on any matter not on the agenda. Persons wishing to address the Council are requested, but not required to complete a Speaker's Card. Speakers are limited to two (2) minutes. The law generally prohibits the Council from discussion or taking action on such items. However, the Council may instruct staff accordingly regarding Oral Requests.

LeeAnn Kuntz, Campbell resident, spoke about a request for a lot division at 44 El Camanito Avenue and stated that she would like this matter to be addressed at a public forum.

Judy Pisano, Campbell resident, commented on the February 2, 2016 appeal of Scrambl'z restaurant and felt that there was incomplete information regarding a permit for a yoga studio in the same building; she would like the appeal to be reheard with all the information, as well as a re-noticing of the permit for Flex Fusion to allow public comment.

## **COUNCIL ANNOUNCEMENTS**

The Campbell Police Department will be hosting the next "Coffee with a Cop" event at Frost Cupcake Factory in Downtown Campbell on Monday, April 11 at 6:30 p.m. This is a great opportunity for residents to meet our officers and professional staff, and to engage in good conversation.

The Recreation and Community Services Department will be hosting a free conference for families and friends who care for aging loved ones. The conference will be held on Saturday, April 16 from 9:00 a.m. - 2:00 p.m. at the Orchard City Banquet Hall. It will include a resource fair with over 20 agencies providing resources for caregivers. The author of *Surviving Alzheimer's*, Paula Spencer Scott, will be the keynote speaker.

For more information, please call the Recreation and Community Services Department at (408) 866-2147 or visit the City's website at [www.cityofcampbell.com/adultcenter](http://www.cityofcampbell.com/adultcenter).

Register early for Campbell Day Camps, Sports Camps and Swim Lessons. Descriptions and schedules are available on the city's website at [cityofcampbell.com/recreation](http://cityofcampbell.com/recreation).

The City of Campbell will be hosting its annual Great American Litter Pickup event on Saturday, April 23 from 9:00 a.m. to 1:00 p.m. This year's cleanup will focus on five

locations. To register for this event, please call (408) 866-2145, or visit [cityofcampbell.com](http://cityofcampbell.com).

The Clint Black show at the Heritage Theatre scheduled for April 23 has sold out.

On May 7 and 8 the Ainsley House will host a Mother's Day Tea and Tour event with features to include: a butler to greet and seat guests, a special Ainsley House tea blend and special prizes and contests. Guests will also tour the Ainsley House to the sound of live piano music. For reservations and more info, contact Laura Moore at (408) 460-7048 or [laura@campbellmuseums.com](mailto:laura@campbellmuseums.com).

Contractors for the San Jose Water Company are performing roadwork during daylight hours related to construction and installation of a new water main near Capri Elementary School which is expected to conclude this week. The water main construction on Theresa Avenue will begin on April 11 and will last for three weeks. This construction work will also impact Virginia Avenue, Chapman Avenue and Cora Court. The construction will be performed on weekdays between the hours of 8:30 a.m. and 4:30 p.m.

For more information about any City project or event, please visit the City's website at [www.cityofcampbell.com](http://www.cityofcampbell.com).

### **CONSENT CALENDAR**

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Mayor Baker asked if any Councilmember or anyone in the audience wished to remove any item from the Consent Calendar.

The Consent calendar was considered as follows:

1. **Minutes of Regular Meeting of March 15, 2016**  
Recommended Action: Approve the Regular Meeting Minutes.

This action approved the minutes of the regular meeting of March 15, 2016.

2. **Approving Bills and Claims**  
Recommended Action: Approve the bills and claims in the amount of \$1,679,950.63.

This action approves the Bills and Claims in the amount of \$1,679,950.63 as follows: bills and claims checks dated March 7, 2016 in the amount of \$224,989.83; payroll checks dated March 10, 2016 in the amount of 284,936.10; bills and claims checks dated March 14, 2016 in the amount of \$371,962.73; and bills and claims checks dated March 21, 2016 in the amount of \$798,061.97.

3. **Monthly Investment Report – February, 2016**

Recommended Action: Note and file the monthly investment report for February 2016.

This action is to note and file the monthly investment report for February 2016.

4. **Accept Donation of \$5,000 from Kaiser Permanente for 2016 Summer Concert Series**

Recommended Action: Accept a donation of \$5,000 from Kaiser Permanente for the 2016 Summer Concert Series.

This action is to accept a donation of \$5,000 from Kaiser Permanente for the 2016 Summer Concert Series.

5. **Authorize Submittal of Proposed 2016/2017 Storm Water Management Program Budget to West Valley Sanitation District (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution authorizing submittal of the proposed 2016/2017 Storm Water Management Program to West Valley Sanitation District.

Resolution 11958 authorizes the submittal of the proposed 2016/2017 Storm Water Management Program Budget to West Valley Sanitation District.

6. **Approval of Tract Map No. 10340 including Acceptance of Street Dedication and Public Service Easement Shown on Said Map – 280 Dillon Avenue Phase II (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution approving the Tract Map for Tract No. 10340 and accept the street dedication and public service easement as shown on the map for the property located at 280 Dillon Avenue.

Resolution 11959 approves the Tract Map for Tract No. 10340 and accepts the street dedication and public easement for the property located at 280 Dillon Avenue.

7. **Initiate Proceedings of the Campbell Lighting and Landscaping District, Fiscal Year 2016/17(Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution initiating proceedings, describing the improvements, and directing staff to prepare the Engineer's Report for the Campbell Lighting and Landscaping Assessment District for Fiscal Year 2016/17.

Resolution 11960 initiates proceedings, describes the improvements, and directs staff to prepare the Engineer's Report for the Campbell Lighting and Landscaping District for Fiscal Year 2016/17.

8. **Authorization to Purchase One Marked Police Vehicle and Approval of a Budget Adjustment (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution authorizing the Public Works Director to purchase one marked police vehicle from Serramonte Ford and approve a budget adjustment in the amount of \$33,000 to the Vehicle & Equipment Maintenance Fund.

Resolution 11961 authorizes the Public Works Director to purchase one (1) marked police vehicle from Serramonte Ford and approves a budget adjustment in the amount of \$33,000 to the Vehicle & Equipment Maintenance Fund.

9. **Second Reading of Ordinance 2199 and 2200 Approves the City-initiated Text Amendments (PLN2015-365) to Amend the Campbell Municipal Code Regulations for Massage Establishments. (Ordinances Second Reading/Roll Call Vote)**

Recommended Action: Approve the second reading and adopt the Ordinance 2199 approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial Districts); Chapter 21.12 (Special Purpose Districts); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and approve the second reading and adopt the Ordinance 2200 approving a Text Amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspections of Property) of the Campbell Municipal Code.

This action approves the second reading of Ordinance 2199 approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial Districts); Chapter 21.12 (Special Purpose Districts); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and approves the second reading of Ordinance 2200 approving a Text Amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspections of Property) of the Campbell Municipal Code. 4-1 vote (Councilmember Cristina voted no)

**M/S: Cristina/Gibbons - that the City Council approve the Consent Calendar. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina (voted no on Item nine), Gibbons, Baker**

**NOES: Councilmembers: None**

**PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES**

**NOTE:** Members of the public may be allotted up to two (2) minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of five (5) minutes for opening statements and up to a total of three (3) minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.

10. **Appeal of the Planning Commission Approval of a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to Allow Establishment of a New 45-seat Restaurant (Kalye Hits) with Beer and Wine Service, Outdoor Seating, Live Entertainment No**

**Dancing), and "Late-night" Operational Hours (11:00 PM Public Closing); and a Parking Modification Permit (PLN2015-355) to Allow a Reduction in the Number of Required Parking Spaces on Property Located at 2145 S. Winchester Boulevard in the P-D (Planned Development) Zoning District. (Resolution/Roll Call Vote)**

Recommended Action: Adopt a Resolution denying the appeal and upholding the Planning Commission approval of a Conditional Use Permit (PLN2015-352), Administrative Planned Development permit (PLN2015-354), and Parking Modification Permit (PLN2015-355).

This is the time and place for a Public Hearing to consider the appeal of a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" hours (11:00 p.m. public closing); and Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at 2145 S. Winchester Boulevard in the P-D (Planned Development) Zoning District.

Associate Planner Fama presented staff report dated April 5, 2016.

Mayor Baker declared the public hearing open and asked if there was anyone in the audience wishing to be heard.

Steve Gandy, appellant, stated concerns with late night hours; noise; parking; proximity to residence; service of alcohol; live entertainment; and outdoor seating.

Cliff Reese, Campbell resident, supported the appeal and spoke about parking issues.

Clarissa Clark, Campbell resident, supported the appeal and stated concerns with noise and late night hours.

Russell Pfirrmann, Campbell resident, supported the appeal and spoke about zoning and parking issues.

LeeAnn Kuntz, Campbell resident, supported the appeal and spoke about concerns with zoning, parking, and pedestrian safety.

Lowen Cast, co-owner of proposed restaurant, spoke about the restaurant.

Judy Pisano, Campbell resident, spoke about the limited sidewalk space for outdoor seating.

Pat Lawson, Campbell resident, spoke about parking issues.

Scott Plautz, partner in the property and president of Stems Sustainable Systems, spoke about the site and stated that they would work to try to address the neighborhood concerns.

Debbie Marino, Campbell resident, supported the appeal and stated concerns with late night hours, live entertainment, and parking.

Campbell resident spoke about parking issues and late night hours.

Campbell resident supported the appeal; stated that she is opposed to development that doesn't preserve the neighborhood; spoke about traffic concerns; and doesn't feel this restaurant is a good fit for Campbell.

Steve Grandy, appellant, stated concerns with the combination of the live music, alcohol service, restricted parking, and late night hours.

There being no one else wishing to be heard, Mayor Baker closed the public hearing.

After discussion, **M/S: Gibbons/Kotowski - that the City Council uphold the appeal with the appropriate finding to return to Council at the May 3, 2016 City Council meeting. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Gibbons, Baker**

**NOES: Councilmembers: Resnikoff, Cristina**

Mayor Baker stated that items 11, 12, and 13 would all be presented as one item and public comment would be taken on all those items at one time; and the voting on the items would be taken out of order, starting with item 12, then 11, and then 13.

Finance Director Takahashi presented staff report dated April 5, 2016, for items 12, 11, and 13.

11. **Introduction of Ordinance Forming the Campbell Industrial Development Authority (First Reading of Ordinance/Roll Call Vote)**

Recommended Action: Introduce an Ordinance forming the Campbell Industrial Development Authority.

**M/S: Cristina/Resnikoff – that the City Council introduce Ordinance 2201 forming the Campbell Industrial Development Authority. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Councilmembers: None**

City Clerk Wood read the title of Ordinance 2201.

**M/S: Kotowski/Resnikoff – that the City Council waive further reading of Ordinance 2201. Motion was adopted unanimously.**

### **SUCCESSOR AGENCY NEW BUSINESS**

- \*12. **Authorizing Preparation of Proceeding for the Proposed Issuance of Bonds to Refund Outstanding Obligations of the Former City of Campbell Redevelopment Agency, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)**

Recommended Action: Successor Agency adopt resolution authorizing the retention of consultants in connection with the proposed issuance of bonds to refund indebtedness of the former City of Campbell Redevelopment Agency.

\*Item voted on out of order.

After discussion, **M/S: Cristina/Gibbons – that the City of Campbell Successor Agency adopt Resolution 11962 authorizing the retention of consultants in connection with the proposed issuance of bonds to refund indebtedness of the former City of Campbell Redevelopment Agency. Motion was adopted by the following roll call vote:**

**AYES: Board Members: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Board Members: None**

### **NEW BUSINESS**

13. **Authorizing Preparation of Proceedings for the Refinancing of Outstanding Certificates of Participation, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution authorizing the refinancing of outstanding certificates of participation and approval of a financing team and related agreements.

**M/S: Resnikoff/Cristina – that the City Council adopt Resolution 11963 authorizing the refinancing of outstanding certificates of participation and approval of a financing team and related agreements. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Councilmembers: None**

14. **BMR Administrator Proposal Update**

Recommended Action: Authorize staff to schedule interviews with the Subcommittee and the recommended candidates for the expanded scope of services; authorize the City Manager to negotiate a contract with the highest-

ranked candidate, as recommended by the Subcommittee following interviews; and direct staff to return to the City Council with a draft contract for review and approval by the City Council.

Senior Planner McCormick presented staff report dated April 5, 2016.

Christine Nguyen, Program Manager for the Housing Department for West Valley Community Services, spoke about their qualifications.

After discussion, **M/S: Cristina/Gibbons – that the City Council authorize staff to schedule interviews with the subcommittee and the recommended candidates for the expanded scope of services; authorize the City Manager to negotiate a contract with the highest-ranked candidate, as recommended by the subcommittee following interviews; and direct staff to return to the City Council with a draft contract for review and approval by the City Council. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Councilmembers: None**

15. **Authorize City Manager to Award and Execute Contract for Pre-Ballot Polling Services (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution authorizing the City Manager to award and execute an agreement with Godbe Research for pre-ballot polling services.

Deputy City Manager Bito presented staff report dated April, 5, 2016.

Charles Hester, representative from Godbe research, spoke about the history of the firm and past measure results.

John Richards, Campbell resident, spoke about the survey questions and the possibility of using City issued bonds to help with funding.

After discussion, **M/S: Cristina/Resnikoff – that the City Council adopt resolution 11964 authorizing the City Manager to award and execute an agreement with Godbe Research for pre-ballot polling services including receiving the information with the staff report before a publicly scheduled meeting. Motion was adopted by the following roll call vote:**

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Councilmembers: None**

16. **Lew Edwards Group Consultant Services (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution that will release The Lew Edwards Group from its current services contract; and authorize the City Manager to

negotiate, award and execute a new contract for pre-electoral consulting services.

Deputy City Manager Bito presented staff report dated April, 5, 2016.

After discussion, **M/S: Gibbons/Kotowski** – that the City Council adopt **Resolution 11965** that will release The Lew Edwards Group from its current services contract; and authorize the City Manager to negotiate, award and execute a new contract for pre-electoral consulting services. Motion was adopted by the following roll call vote:

**AYES: Councilmembers: Kotowski, Gibbons, Baker**

**NOES: Councilmembers: Resnikoff, Cristina**

17. **Appropriate up to \$231,000 from the Civic Center Master Plan Reserve to Fund Expenditures Related to Placing a Ballot Measure on the 2016 General Election Ballot (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution to appropriate up to \$231,000 from the Civic Center Master Plan Reserve to fund expenditures related to placing a measure on the 2016 General Election ballot.

City Manager Linder presented staff report dated April 5, 2016.

After discussion, **M/S: Cristina/Gibbons** – that the City Council adopt **Resolution 11966** to appropriate up to \$231,000 from the Civic Center Master Plan Reserve to fund expenditures related to placing a measure on the 2016 General Election ballot. Motion was adopted by the following roll call vote:

**AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker**

**NOES: Councilmembers: None**

## **COUNCIL COMMITTEE REPORTS**

18. **City Councilmember Reports/Updates on Committee Assignments**

Recommended Action: Report on committee assignments and general comments.

-- Councilmember Cristina stated that the Saint Lucy's golf tournament will be on May 16<sup>th</sup> and to register call (408) 378-2463.

-- Vice Mayor Gibbons thanked the Downtown Campbell Business Association and all the organizations involved for putting on a great Bunnies and Bonnets parade.

**ADJOURN**

Mayor Baker adjourned at 11:32 p.m.

APPROVED:

---

Jason T. Baker, Mayor

ATTEST:

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Wendy Wood, City Clerk



# City Council Report

Item: 4.  
Category: Consent Calendar  
Meeting Date: April 19, 2016

**TITLE: Approving Payment of Bills and Claims**

## RECOMMENDATION

Approve the attached lists of bills and claims for payment in the amount of \$1,862,362.89.

## DISCUSSION

Attached are the lists of bills and claims that have been audited and approved by staff for payments made as noted below:

<u>Type</u>	<u>Check Date</u>	<u>Amount</u>
Payroll	March 24, 2016	\$244,946.19
Bills & Claims	March 28, 2016	\$1,151,244.87
Bills & Claims	April 4, 2016	\$466,171.83
	<b>Total</b>	<b>\$1,862,362.89</b>

## FISCAL IMPACT

Adequate funding was available to cover all expenses as listed.

Prepared by: Leslie Fabila  
Leslie Fabila, Office Assistant

Reviewed by: Sharif Etman  
Sharif Etman, Finance Manager

Reviewed by: Jesse Takahashi  
Jesse Takahashi, Finance Director

Approved by: Mark Einder  
Mark Einder, City Manager

**Attachments:**  
Attachment 1 – Bills & Claims Lists



# City Council Report

Item: 5.  
Category: Consent Calendar  
Meeting Date: April 19, 2016

**TITLE: Accept Donation of \$5,000 from the Campbell Community Endowment Fund for the Campbell Historical Museum & Ainsley House's education field trip programs**

## RECOMMENDATION:

It is recommended that the City Council accept a donation of \$5,000 from the Campbell Community Endowment Fund to fund scholarship admissions.

## DISCUSSION

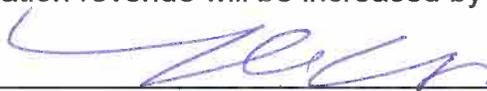
The Campbell Community Endowment Fund has donated \$5,000 to the Campbell Historical Museum & Ainsley House to use as a scholarship to help schools from Campbell Union School District and Moreland School District to participate in the Museum's on site education field trips.

The cost of admission for a field trip to the Campbell Historical Museum or Ainsley House is \$6 per student. Several schools in the Campbell Union School District are Title 1 schools and cannot afford the admission costs for field trips. Other Campbell and Moreland schools are also not allowed to fundraise for field trips. Therefore, a \$6 per student admission fee often stops local community schools from coming to the Museum. This donation will allow 822 local 2<sup>nd</sup> and 3<sup>rd</sup> graders to come to the Campbell Historical Museum & Ainsley House and learn about their community's past.

## FISCAL IMPACT

The Museum donation revenue will be increased by \$5,000.

Prepared by:

  
Kerry Perkins, Senior Museum Specialist

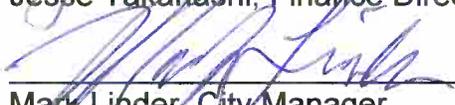
Reviewed by:

  
Regina Maurantonio, Recreation & Community Services Director

Reviewed by:

  
Jesse Takahashi, Finance Director

Approved by:

  
Mark Linder, City Manager



# City Council Report

Item:  
Category:  
Meeting Date:

6.  
Consent Calendar  
April 19, 2016

**TITLE: Destruction of Certain City Records (Resolution/Roll Call Vote)**

## RECOMMENDATION

That the City Council adopt a resolution authorizing the destruction of certain City records.

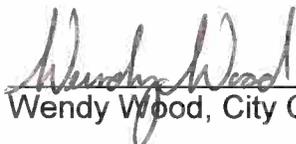
## DISCUSSION

Each department annually conducts an annual audit of files and submits a list of records which are eligible for destruction consistent with the City's Records Retention Schedule. Additionally, permanent records that have been document imaged in accordance with the guidelines stipulated in Administrative Policy #03-50 may also be destroyed. The attached resolution conforms to Government Code Section 34090 allowing destruction of certain records after the same are no longer required.

## FISCAL IMPACT

There is no fiscal impact associated with this recommendation.

Prepared by:

  
Wendy Wood, City Clerk

Reviewed by:

  
William R. Seligmann, City Attorney

Approved by:

  
Mark Linder, City Manager

## Attachments:

1 – Resolution

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL  
AUTHORIZING DESTRUCTION OF CERTAIN CITY RECORDS**

**WHEREAS**, Government Code Section 34090 et seq. authorizes City Department Heads to destroy certain records, documents, instruments, books or paper after the same are no longer required and/or have been digitally imaged, stored on CD/DVD medium and secured off-site in accordance with State law and the City of Campbell's Records Retention Schedule and Document Imaging Administrative Policy and with the approval of the legislative body by resolution and the written consent of the City Attorney; and

**WHEREAS**, the City Council proposes to grant such approval for the destruction of the records, documents, instruments, books, or papers more particularly described in the attached Exhibit, it having been determined by the respective Department Head that said records are no longer required.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell does hereby authorize City Department Heads to destroy those certain records, documents, instruments, books or paper under their charge as described in the attached Exhibit.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of April 2016 by the following roll call vote:

**AYES** : Councilmembers:

**NOES** : Councilmembers:

**ABSENT**: Councilmembers:

**APPROVED:**

\_\_\_\_\_  
Jason T. Baker, Mayor

**ATTEST:**

\_\_\_\_\_  
Wendy Wood, City Clerk

## CITY MANAGER

Bulletins (Legislative)	Prior to 7/1/2013
Budget Related Files	Prior to 7/1/2013
Capital Improvement Program - Working Files	Prior to 7/1/2013
City Newsletter (The Profile)	Prior to 7/1/2013
City Calendars	Prior to 7/1/2013
Civic Improvement Commission - Agenda Materials	Prior to 7/1/2013
Correspondence	Prior to 7/1/2011
Position on Legislation	Prior to 7/1/2013
Purchase Orders / Blanket Purchase Orders	Prior to 7/1/2011
Social Service Sub-Grant Applications	Prior to 7/1/2011
Special Projects	Prior to 7/1/2013
Travel Records (Council and City Manager)	Prior to 7/1/2013

## CITY MANAGER – IT DIVISION

Internet, World Wide Web	Prior to 3/1/2013
Inventory, Information Systems	Prior to 3/1/2013
Network Information Systems (LAN/WAN)	Prior to 3/1/2011
Backup Tapes for Program Files & Directories Annual	Prior to 3/1/2013
Backup Tapes for Program Files & Directories Monthly	Prior to 3/1/2014

## CITY CLERK

Claims Against City	Prior to 2008
Agenda Postings	Prior to 2013
Business License	Prior to 2009
Business License Correspondence	Prior to 2013
General Correspondence	Prior to 2013
City Council Meeting Follow-up	Prior to 2013
FPPC - Statement of Economic Interest - Terminated Elected Officials	Prior to 2007
Designated Employees	Prior to 2009
Petty Cash Reimbursement Request	Prior to 2013
Proclamations	Prior to 2013
Purchase Orders/Blanket P.O.'s (dupl)	Prior to 2010
State of California Receipts	Prior to 2010
County of Santa Clara Receipts	Prior to 2010
Check Requests	Prior to 2013

## HUMAN RESOURCES

Recruitment/Testing	Prior to 2012
Terminated Temporary Employee Files	Prior to 2009
I-9's	Prior to 2012

## COMMUNITY DEVELOPMENT

Box 55 – Planning Division – Project files scanned between May 2013 and January 2015  
(itemized list attached – Exhibit A)

## FINANCE

### Accounts Payable:

Accounts Payable	Prior to 2011
Warrant (Check) Register	Prior to 2011
BPO's & POs	Prior to 2009

### Accounts Receivable:

Accounts Receivable	Prior to 2011
Billings Records	Prior to 2011
Business Licenses	Prior to 2007
Deposits, Receipts	Prior to 2011
Invoices	Prior to 2011
Taxes Receivable	Prior to 2011

### Audits:

Journal Entries	Prior to 2011
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### Bank Statements

Account Statements (Bonds)	Prior to 2005
Administration (Bonds)	Prior to 2005
Bank Reconciliation	Prior to 2010
Business Statements	Prior to 2010
Bonds & Coupons	Prior to 2011
Checks	Prior to 2010

### Budget:

Budget Adjustments	Prior to 2011
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### General

Inventory:	
Fixed Assets	Prior to 2011
Surplus Property – Auction	Prior to 2011
Surplus Property – Disposal	Prior to 2011
NSF & General Correspondence	Prior to 2013

**Payroll:**

Adjustments	Prior to 2011
Federal & State	
Tax Reports	Prior to 2011
Warrant (Check) Register	Prior to 2011

**Risk Management – Claims Against the City:**

Accident Reports –	
City Assets	Prior to 2008
Claims, Damage / Liability	Prior to 2008
Incident Reports	Prior to 2008

**RECREATION AND COMMUNITY SERVICES**

Receipts for 2013  
 Financial records for 2013  
 Petty cash records for 2013  
 Check requests from 2013  
 PO/RVPO records from 2013  
 Facility permits for 2013  
 General File/Correspondence 2013  
 Recreation Liability Releases 2013

**PUBLIC WORKS**

Chron files 2006 to 2009  
 Accounting files 2008-2010  
 Quarterly billing files January – December 2012 and 2013  
 Truck Permits January – December 2012

**POLICE DEPARTMENT**

**CITIZEN COMPLAINT AND INTERNAL INVESTIGATIONS**

#10-02, #10-03, #10-05, #10-06, #10-07, and miscellaneous citizen’s complaints filed between January 1<sup>st</sup> and December 31<sup>st</sup> 2010.

**PURSUIT REPORTS**

<b><u>2013</u></b>	<b><u>2014</u></b>
3/21/13	1/22/14
3/23/13	2/5/14
3/25/13	2/11/14
3/31/13	2/17/14
6/4/13	3/3/14
6/6/13	
6/12/13	

8/15/13  
8/17/13  
12/5/13

### **ON-DUTY VEHICLE ACCIDENTS**

On-duty accident reports/documentation dated 8/29/09, 10/22/10, 10/22/10, 11/19/11, 1/1/12, 4/20/12, 5/2/12, 6/17/12, 8/7/12, 8/28/12, and 1/14/13. 3 year purge date, absent any additional accidents by the employee.

### **FORMER EMPLOYEES PERSONNEL FILES**

Personnel and background files of former employees that that have been scanned and a back-up file created and stored off-site

### **POLICE REPORTS, AND OTHER FILES TO BE PURGED**

Ride-a-long applications that are more than two years old

Repossession and Private Property tow sheets that are more than two years old

Pawn slips that are more than two years old

Background checks that are more than two years old

Arrest Logs more than two years old

Media Logs more than two years old

Traffic, parking, and warning citations that are more than one year old and have been entered into RMS.

Watch Commander Logs that are more than two years old

Warrant worksheets that are closed and are more than two years old

Police reports from 2013 and earlier with a retention period of 2 years:

- a) Accident Reports - no injury, no arrest
- b) Bench Warrant arrests
- c) Warrant Arrests – Outside Agencies felony and misdemeanor – no local charges
- d) Local Ordinance or Muni Code Violations – Inactive, non-arrest
- e) Animal Reports – Inactive, non-arrest
- f) Courtesy Reports for Outside Agencies
- g) Misdemeanor Crime Reports with no related arrests and when the statute of limitations has expired
- h) Missing Persons or Runaways that have returned or been located
- i) Non-Criminal Reports - Lost/Found Property, Stored/Impounded Vehicles/Death

Reports/Abated Vehicles/Injury Reports and other Information Reports Recovered  
Stolen Vehicle Reports Suicides/Mental Disorder Reports (unless repeated contacts)

Police reports from 2013 and earlier with a retention period of more than 2 years that have been scanned and a back-up file has been created and stored off-site

DOJ and Department Statistical Reports from 2013 and earlier that have been scanned and a back-up file has been created and stored off-site

Dispatch audio recordings from 2014

AVASA paperwork from 2011-2012 and 2013-2014 that have been scanned

ABC Licenses 2013 or older

Briefing Training Rosters 2013 or older

DOJ Firearms Sales Approvals 2013 or older

Massage Establishment files out of business 2013 or older

Inactive Massage Therapists 2013 or older

Training Reimbursement Requests 2013 or older

POST Reimbursement Reports 2013 or older

Training Packets 2013 or older

Police Officer/Police Officer Trainee Applications and associated notes and lists 2013 and older

Planning Documents - Box 55  
 Planning Files - Documents Imaged May 2013 thru January 2015  
 By Corinne A. Shinn

Page 1

Date	Item(s)	Pages
5/22/13	Deed Restriction - 763 Emory Ave - 2013	3
	Park Fee - SLU - 2013	1
	Deed Restriction - 1581 Walters - 2013	3
	Deed Restriction - 226 Sunnyside - 2013	5
	SCVWD CIP Conformance 2014-2018 Letter - 2013	3
	Crown Castle Agreement - 1/25/13	1
	Win Blvd., 1550, Unit 212 (DMV Form - 2013)	1
	RDA 1983 Central Campbell Plan	61
	RDA 1992 Central Campbell Plan - 2 <sup>nd</sup> Revision	65
	Annexation Cambrian 36 - Letter to State Board of Equalization	4
	Campbell Ave., 193 E. (Letter to ABC - 2013)	1
	Hamilton Ave., 256 E. (DMV - 2013)	1
	Campbell Ave., 511 & 555 W. (GP/ZC/PD/TS/TRP - expired 2006) File 1	717
	Campbell Ave., 511 & 555 W. (GP/ZC/PD/TS/TRP - expired 2006) File 2 - Exhibits	23
7/8/13	TA - Smoking Ordinance (2011/12)	192
	Campbell Ave., 1630 W. (Parking Lot Paving - 2013)	3
7/9/13	Nido Dr., 710 (Zoning Letter - 2013)	24
	Bascom Ave., 2230 S. (Sign - Cleaners - 2013)	9
	Harrison Ave., 230 (Sign - Bill Hamilton Roofing - 2013)	6
	Campbell Ave., 1614 W. (Sign - Zoom Room - 2013)	11
	Union Ave., 215/225 (Zoning Letter - 2013)	18
	Bascom Ave., 1720 S. (Correspondence 2013)	1
	Monica Ln., 891 (Deed Restriction - 2013)	4
	Old Orchard Rd., 734 (Lot Line Adjustment - 2013)	9
7/26/13	Campbell Ave., 276 E. (Sign- Opa! - 2013)	3
	Sunnyoaks Ave., 186 E. (Memo - 2013)	1
	Campbell Ave., 234 E. (Sign - Tessoras - 2013)	8
11/22/13	Sunnyoaks Ave., 180 S. (Sign - Cal Steam 2013)	6
	Hamilton Ave., 480 E. (Xmas Tree Lot - 2013)	4
	STAR, 300 W. (Deed Restriction - 2013)	4
	Creekside Wy., 701 (Add'l Info - PLN2009-00069)	10
	Bascom Ave., 1875 S. (Sign - Togo's - 2013)	7
	Del Loma Dr., 2952 (Dead Tree Removal - 2013)	5
	White Oaks Rd., 1300 (Correspondence - Yoga - 2013)	1
	White Oaks Rd., 1300 (Authorization to Proceed - Withdrawn)	1
12/9/13	White Oaks Rd., 1300 (Spec Project - Withdrawn - 2013)	17
	Third St., 399 N. (TRP - 2013)	26
12/17/13	Camden Ave., 1240 (Sign - Motel 6 - 2013)	7
	Kenneth Ave., 828 (Receipt - Park Fee - 2013)	1
	Virginia Ave., 230 (Sign - Church - 2013)	12
12/18/13	Budd Ave., 301 (Dead Tree Removal - 2013)	4

	Kenneth Ave., 828 (Site & Arch Review Permit - 2008)	54
	Bascom Ave., 1646 S. ( Sign - Performance Bicycle - 2013)	13
	Railway Ave., 86 (Sign - Academy Fencing - 2013)	
	Joint Venture Silicon Valley 2013 Report	13
12/17/14	Bascom Ave., 1999 S. (Substantial Compliance - 2013)	2
	Budd Ave., 725 (Dead TRP - 2014)	4
	Camden Ave., 870 (Dead TRP - 2014)	
	Campbell Ave., 195 E. (Outdoor Seating Permit - 2014)	2
	Campbell Ave., 195 E. (Color Change - 2014)	1
	Campbell Ave., 241 E. (Maint of Shared Parking - 2014)	17
	Campbell Ave., 247 & 253 E. (Shared Parking - 2014)	17
	Campbell Ave., 257 E. (Sharking Parking Maint - 2014)	17
	Campbell Ave., 267 E. (Shared Parking Maint. - 2014)	17
12/18/14	Catalpa Ln., 61 (Mills Act 2013)	12
	Bascom Ave., 14485 S. (Plan Sheet Detail - 1988)	1
	Stonehurst Wy., 970 (Dead TRP - 2014)	5
	Alice Ave., 86 (Dead TRP - 2014)	9
	Campbell Ave., 600 W. (Corresp to WV Christian - 2014)	10
	Dot Ave., 95 (Correspond to WV Charistian - 2014)	10
	Esther Ave., 431 (Hist Tree Designation - 2013)	9
	First St., 33 N. (Maint of Shared Parking - 2014)	17
1/15/15	Hamilton Ave., 480 E. (Xmas Tree Lot - 2014)	4
	Hamilton Ave., 591 W. (Dead TRP - 2014)	8
	Hamilton Ave., 651 W. (Temp Signs - Penny Lane - 2014)	8
	Hamilton Ave., 700 W. (Correspondence - Verizon -2014)	8
	Hamilton Ave., 825 W. (Revocation of Admin PD - Massage - 2014)	48
	Hamilton Ave., 970 W. (Temp Signs - Citibank - 2014)	6
	Hamilton Ave., 1374 E. (UP - Mod Hrs - 2010)	13
	Kennedy Ave., 48-81 (Flood Haz Verification letter - 2014)	5
	Lovell Ave., 1111 (Dead TRP - Redwood - 2014)	3
	Lovell Ave., 1230 (Reconstruct Ham Radio Tower - 2014)	
	Michael Dr., 201 (Dead TRP - 2014)	5
	Nido Dr., 665 (Dead TRP - 2014)	5
	Robin Ln., 894 ( Record Heritage Tree - 2014)	6
1/16/15	Railway Ave., 508 (Paint - 2013)	10
	STAR, 125 S. (Inclusionary Housing Agreement - 2014)	15
	STAR, 152 A N. (DMV Form - 2014)	1
	Shamrock Dr., 364 (Deed Restriction - Access Street - 2014)	22
	Sharp Ave., 1400 (Notice of Compliance - CE - 2013)	3
	Shelley Ave., 65/67/69 (Zoning Clearance - 2014)	9
	Sunnyoaks Ave., 462 W. (Dead TRP - 2014)	7
	Third St., 164 N. (Tree Disclosure Statement - 2014)	1
	Union Ave., 185 (Dead TRP - 2014)	6





*City  
Council  
Report*

Item: 7.  
Category: Consent Calendar  
Meeting Date: April 19, 2016

**TITLE:** Ordinance 2201 Approves Forming the Campbell Industrial Development Authority (Ordinance Second Reading/Roll Call Vote)

**RECOMMENDATION:**

That the City Council approve the second reading of Ordinance 2201 approving the formation of the Campbell Industrial Development Authority.

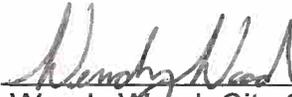
**DISCUSSION:**

On April 5, 2016, the City Council gave first reading to Ordinance 2201. Second reading of Ordinance 2201 will approve the formation of the Campbell Industrial Development Authority. Ordinance 2201 will become effective 30 days following the date of the second reading.

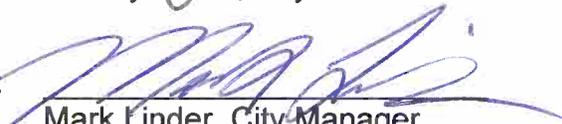
**FISCAL IMPACT:**

There is no fiscal impact associated with this action.

Prepared by:

  
Wendy Wood, City Clerk

Approved by:

  
Mark Linder, City Manager

Attachment – Ordinance 2201

**ORDINANCE NO. 2201**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL  
FORMING THE CAMPBELL INDUSTRIAL DEVELOPMENT AUTHORITY**

**WHEREAS**, the City of Campbell (the "City") has determined that there is a need in the City for an industrial development authority to be formed under the California Industrial Development Financing Act, Title 10 (commencing with Section 91500) of the California Government Code (the "Act").

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMPBELL** as follows:

Section 1. There is within the City a corporate instrumentality of the State of California known as the Campbell Industrial Development Authority.

Section 2. Pursuant to the Act, the City Council hereby declares that there is a need within the City for the Campbell Industrial Development Authority.

Section 3. The Campbell Industrial Development Authority shall function pursuant to this Ordinance and the Act.

Section 4. The City Council of the City of Campbell hereby declares itself to be the governing board of the Campbell Industrial Development Authority.

Section 5. This Ordinance shall take effect 30 days after its second reading and adoption.

**PASSED and ADOPTED** this 19th day of April, 2016, by the following roll call vote:

AYES: Councilmembers

NOES: Councilmembers

ABSENT: Councilmembers

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk



# City Council Report

Item: 8.  
Category: Public Hearing  
Date: April 19, 2016

---

**TITLE** Public Hearing to consider the City-initiated Zoning Text Amendment (PLN2016-32) to amend Campbell Municipal Code Sec. 21.18.140 (Undergrounding of Utilities) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements. (Introduction of Ordinance/Roll Call Vote)

## RECOMMENDATION

The Planning Commission recommends that the City Council take the following action:

1. **Take a first reading of the attached Ordinance (Attachment 1)**, amending Campbell Municipal Code Sec. 21.18.140 (Undergrounding of Utilities) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements.

## ENVIRONMENTAL DETERMINATION

The Planning Commission recommends the City Council find this Zoning Text Amendment exempt from environmental review under Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines pertaining to projects that have no possibility to have a significant effect on the environment.

## DISCUSSION

Background: During the Council's January Priority Setting Workshop, amending the City's utility undergrounding requirements to exempt single-family residential properties located on local streets was identified as an issue that needed resolution prior to the end of the fiscal year. As a result, the Community Development Department was directed to prepare a Zoning Text Amendment to address this matter.

Proposed Amendments: As discussed in further detail in the attached Planning Commission staff report (reference **Attachments 2**), the proposed Zoning Text Amendment would modify the service line requirement to apply only to properties located along arterial or collector streets as defined by the General Plan Figure LUT 3 – (Roadway Classifications Diagram), included **Attachment 3**. The amendment would primarily affect single-family residential properties which are predominately found on local streets. Additionally, the City Engineer would be granted greater flexibility with regard to the placement of new utility poles associated with development projects, to minimize the need for utility Variances.

Retroactivity: Although the amendment will not affect the numerous single-family homeowners that have already undergrounded their utilities, any existing project currently under review or in construction will be granted relief from the requirement upon the Council's introduction of the ordinance.

Planning Commission Public Hearing: The Planning Commission held a public hearing on the proposed amendment on March 22, 2016, taking comment from one member of the public in support of the change. As reflected in the draft Planning Commission Meeting Minutes (reference **Attachment 4**), the Commission was supportive of the text amendment and adopted a resolution recommending that the City Council adopt the draft ordinance.

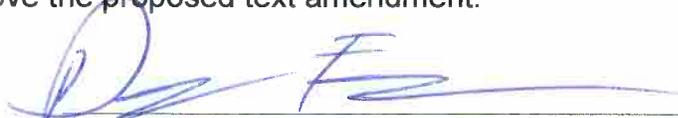
### **FISCAL IMPACTS**

There is no direct fiscal impact to the City with this action. Anecdotally, the expense of undergrounding of utilities—typically ranging from \$15,000 to \$25,000—may be instead invested into remodeling projects, increasing the project valuation and the corresponding building permit fees.

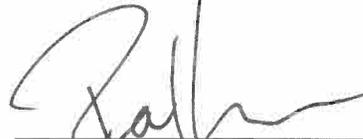
### **ALTERNATIVES**

1. Revise specific sections of the proposed text amendment.
2. Continue for further review.
3. Do not approve the proposed text amendment.

Prepared by:

  
Daniel Fama / Associate Planner

Reviewed by:

  
Paul Kermoyan, Community Development Director

Approved by:

  
Mark Linder, City Manager

### Attachments:

1. Draft City Council Ordinance
2. Planning Commission Staff Report, dated March 22, 2016
3. General Plan Figure LUT 3 – (Roadway Classifications Diagram)
4. Draft Planning Commission Meeting Minutes, dated March 22, 2016

Ordinance No. \_\_\_\_\_

**BEING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL AMENDING CAMPBELL MUNICIPAL CODE SECTION 21.18.140 (UNDERGROUNDING OF UTILITIES) TO EXEMPT DEVELOPMENT OF SINGLE-FAMILY RESIDENTIAL PROPERTIES LOCATED ALONG LOCAL STREETS FROM THE UTILITY UNDERGROUNDING REQUIREMENTS.**

After notification and public hearing, as specified by law and after presentation by the Community Development Director, proponents and opponents, the hearing was closed.

After due consideration of all evidence presented, the City Council of the City of Campbell does ordain as follows:

**SECTION 1:** The City Council finds and determines that the adoption of the proposed Text Amendment qualifies as Exempt from the California Environmental Quality Act (CEQA) under Section 15061.b.3. which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA review.

**SECTION 2:** Section 21.18.140 (Undergrounding of Utilities) of the Campbell Municipal Code is hereby amended as set forth in attached **Exhibit A**. Additions are indicated by underlined text and deletions are indicated by ~~strikethrough~~ text. Portions of Section 21.18.140 not shown in underlined text or strikethrough type are not changed.

**SECTION 3:** This Ordinance shall become effective thirty (30) days following its passage and adoption and shall be published, one time within fifteen (15) days upon passage and adoption in the Campbell Express, a newspaper of general circulation in the City of Campbell, County of Santa Clara.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following roll call vote:

AYES: Councilmembers:  
 NOES: Councilmembers:  
 ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
 Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
 Wendy Wood, City Clerk

**21.18.140 - Undergrounding of utilities.**

All development and remodels, shall provide for the undergrounding of existing and proposed utility facilities in compliance with this section, unless expressly exempted.

A. Definitions. As used in this section, the following terms shall have the meaning set forth below. All other terms shall have the same meaning as defined in Chapter 21.72, (Definitions).

1. Addition means construction that expands a structure's existing gross floor area or replaces existing floor area that was demolished.
2. Arterial street means a Class I Arterial or Class II Arterial, as identified by the City of Campbell Roadway Classifications Diagram.
3. Collector street means a commercial/industrial collector or residential collector, as identified by the City of Campbell Roadway Classifications Diagram.
4. Remodel means any rebuilding or structural alteration which changes the supporting members of a structure, such as bearing walls, columns, beams or girders. It shall not include interior tenant improvements or structural alterations solely to meet code.

B. Applicability. The following site improvements require the undergrounding of utility services as set forth below:

1. Service lines. Excluding utility poles, New utilities, and all existing overhead utility lines, excluding utility poles, serving property located along an arterial or collector street shall be installed underground with:
  - a. Construction of a single-family dwelling;
  - b. Construction of a residential development with two or more dwelling units;
  - c. Construction of a non-residential main structure;
  - d. An addition, remodel, or combination thereof, to an existing non-residential main structure that remodels or expands the structure's existing gross floor area by fifty percent or more in the aggregate over the preceding five-year period;
  - e. An addition to an existing single-family dwelling that within a five-year period adds and/or replaces fifty percent or more to the dwelling's gross floor area. Existing and/or new detached garages, secondary dwelling units, and other fully enclosed accessory structures shall be considered in this section; and
  - f. A residential or non-residential subdivision that is subject to the provisions of Title 20, (Subdivision and Land Development) of the Campbell Municipal Code.

A variance to the requirements of this subsection may be granted in compliance with Chapter 21.48, (Variances).
2. Frontage lines and poles. Existing utility poles and associated overhead utility lines located along an arterial or collector street abutting the frontage(s) of a development

site shall be removed and the utilities replaced underground in association with the site improvements set forth below:

- a. Construction of a non-residential main structure;
- b. Construction of a residential development with five or more dwelling units; and
- c. A residential or non-residential subdivision that is subject to the provisions of Title 20, (Subdivision and Land Development) of the Campbell Municipal Code resulting in five or more parcels, exclusive of parcels created solely to provide access into a development site.

A variance to the ~~number of poles to be removed and/or~~ linear feet of overhead utility lines to be replaced underground may be granted in compliance with Chapter 21.48, (Variances).

- C. Development requirements. All new and existing electric, telecommunications, and cable television lines to be installed on the site to serve a proposed development shall be installed underground at the time of development except for surface mounted transformers, pedestal-mounted terminal boxes and meter cabinets, and concealed ducts and other similar equipment appurtenant to underground facilities. All utilities shall be taken from the nearest aboveground utility service, ~~and n~~No new poles or overhead lines shall be allowed, except as determined necessary by the city engineer to accomplish the removal of frontage lines and poles required by subsection B.2, above.
- D. Screening Requirements. Aboveground equipment (e.g., utility control boxes and similar cabinets) shall be screened from view and deterred from graffiti vandalism by using a combination of landscaping and screen walls.
- E. Exemptions. The requirements of this section do not apply to:
  1. Existing or proposed major electrical transmission lines;
  2. A service upgrade, modification, or relocation of an existing electrical panel that is unrelated to site improvements that would otherwise require undergrounding of utilities in compliance with this section, and which would not result in an increase in overhead utility line length;
  3. Underground installations that would require substantially crossing the rear yard of an adjacent single-family residential property; and
  4. Underground installations precluded by a topographical, soil, or other environmental condition.  
4.5. Single family dwellings on property located along a local street.

Applicability of an exemption shall be determined by the community development director, which may be appealed as an interpretation of this Code in compliance with section 21.02.030 (Procedures for interpretations).

(Ord. 2070 § 1 (Exh. A)(part), 2006: Ord. 2043 § 1 (part), 2004).

(Ord. No. 2166, § 2(Exh. A), 5-7-2013)

## ITEM NO. 5



**CITY OF CAMPBELL • PLANNING COMMISSION**  
**Staff Report • March 22, 2016**

**PLN2016-32** Public Hearing to consider the City-initiated Zoning Text Amendment  
**Text** (PLN2016-32) to amend Campbell Municipal Code Sec. 21.18.140  
**Amendment** (Undergrounding of Utilities) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements.

**STAFF RECOMMENDATION**

That the Planning Commission take the following action:

1. **Adopt a Resolution**, incorporating the attached findings, recommending that the City Council adopt the attached draft ordinance.

**ENVIRONMENTAL DETERMINATION**

An amendment to the Zoning Ordinance is considered a "project" under Section 15378(a)(1) of the California Environmental Quality Act (CEQA) Guidelines, typically subject to environmental review. However, such an action may be exempted from environmental review if the City finds that there is no possibility that it will have a significant effect on the environment (Sec. 15061(b)(3)). Since the proposed text amendment represents a minor adjustment to an existing development standard, it would not result in new activity that would alter the physical environment. Therefore, staff recommends that the project be found categorically exempt.

**DISCUSSION**

Background: During the Council's January Priority Setting Workshop, amending the City's utility undergrounding requirements to exempt single-family residential properties located on local streets was identified as an issue that needed resolution prior to the end of the fiscal year. As a result, the Community Development Department was directed to prepare a Zoning Text Amendment to address this matter.

Current Requirement: On May 7, 2013, the City Council adopted Ordinance No. 2166, approving revisions to the City's undergrounding of utility requirements contained in Campbell Municipal Code (CMC) Sec. 21.18.140. The City has two utility underground requirements; one for "service lines" and another for "frontage lines". Service lines extend from a utility pole to a structure providing utility service to a single property, while frontage lines extend from utility pole to utility pole conveying utility services throughout the community.

Removal of overhead service lines, to be replaced with new underground service, is required on *any* property upon construction of a new primary structure (i.e., single-family dwelling, retail building, etc.), major additions and remodels (equal to or exceeding 50% of the structure's existing square-footage), or upon subdivision of a property. Removal of existing frontage lines is required with construction of any non-residential structure (e.g., retail, office, or industrial

building), a multi-family residential development (i.e., condominiums, townhomes, and apartments) with five or more residential units, or a residential/non-residential subdivision creating five or more new parcels.

Since the intent of the frontage line requirement is the eventual elimination of utility poles, its application was limited to only those streets where such a goal is feasible, which is to say arterial or collector streets as defined by the General Plan, Figure LUT 3 – Roadway Classifications Diagram (reference **Attachment 3**). There is no expectation that utility poles located on local streets will ever be removed. However, since the service line requirement applies throughout the City, there is an appearance of inconsistency between the two requirements.

Proposed Change: The proposed zoning text amendment would modify the service line requirement to apply only to properties located along arterial or collector street, aligning it with the frontage line requirement. The revision would primarily affect single-family residential properties which are predominately found on local streets. Although the amendment will not affect the scores of single-family homeowners that have already undergrounded their utilities, any existing project currently under review or in construction will be granted relief from the requirement retroactively.

Additionally, the proposed zoning text amendment will grant City Engineer greater flexibility with regard to the placement of new utility poles associated with development projects, to minimize the need for utility Variances.

## ANALYSIS

Pursuant to CMC Sec. 21.60.070, an amendment to the Municipal Code may only be approved if the decision-making body finds that: (1) the proposed amendment is consistent with the goals, policies, and actions of the General Plan; (2) the proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the city; and (3) the proposed amendment is internally consistent with other applicable provisions of the Zoning Code. Staff believes that these findings can be favorably established, as discussed below:

### **1. The proposed amendment is consistent with the goals, policies, and actions of the General Plan;**

The proposed amendment would be consistent with the General Plan by ensuring greater uniformity in application of the City's existing utility underground requirements. The amendment would, therefore, further compliance with Strategy LUT-7.2C:

Strategy LUT-7.2C:

Undergrounding of Utilities: Adopt an ordinance for ensuring that certain utilities, such as electricity (including main overhead lines), cable and communications facilities, are placed underground along the street frontage (boundary lines) and from the street to the new structures (service drops) for new projects, and for substantial remodeling projects.

### **2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the city;**

The proposed amendment would maintain the existing condition of the City's neighborhoods. Moreover, by removing a significant improvement cost, homeowners may be more willing and able to invest in their properties.

**3. The proposed amendment is internally consistent with other applicable provisions of this Zoning Code.**

The proposed amendment does not conflict with any other provision of the Zoning Code.

**NOTIFICATION**

Notice of this public hearing for the proposed Zoning Text Amendment was published in the local newspaper as required by Zoning Code.

Attachments:

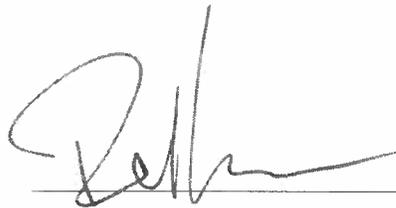
1. Findings for Recommendation
2. Draft City Council Ordinance
3. Figure LUT-3 – Roadway Classification Diagram

Prepared by:



\_\_\_\_\_  
Daniel Fama, Associate Planner

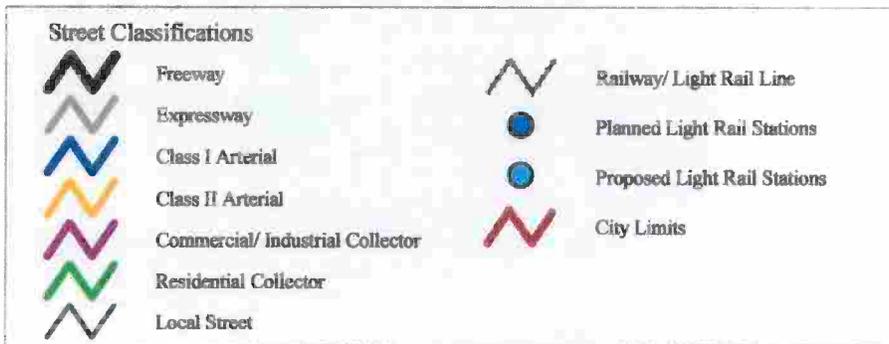
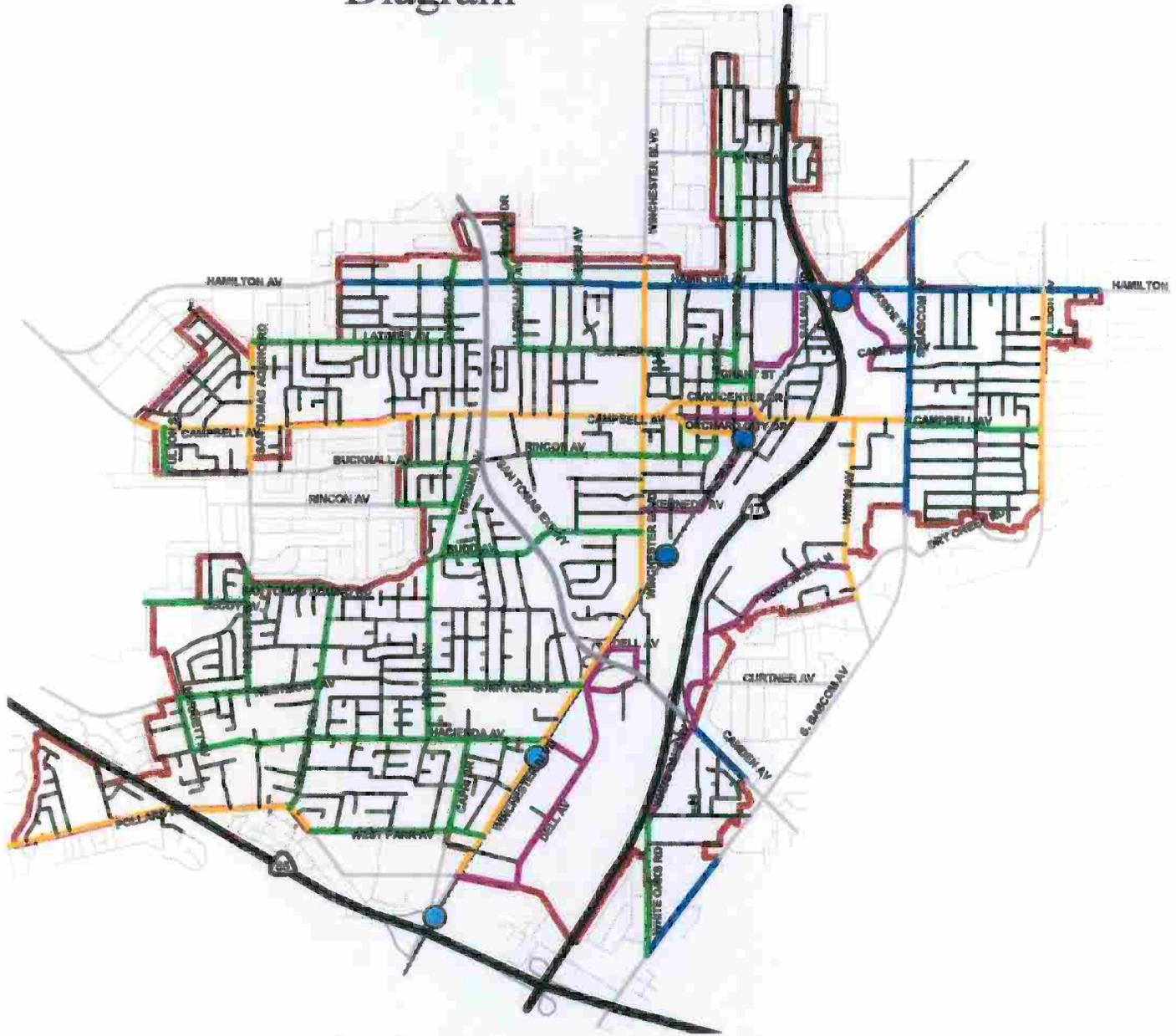
Approved by:



\_\_\_\_\_  
Paul Kermoyan, Community Development Director



# Figure LUT-3 Roadway Classifications Diagram



N  
Scale  
1" = 3,000 ft.

Campbell  
Community  
Development  
Department  
2001

CITY OF CAMPBELL PLANNING COMMISSION  
MINUTES

7:30 P.M.

TUESDAY

MARCH 22, 2016  
CITY HALL COUNCIL CHAMBERS

The Planning Commission meeting of March 22, 2016, was called to order at 7:30 p.m., in the Council Chambers, 70 North First Street, Campbell, California by Acting Chair Kendall and the following proceedings were had, to wit:

**ROLL CALL**

Commissioners Present:	Acting Chair/Vice Chair: Commissioner: Commissioner: Commissioner: Commissioner:	Yvonne Kendall Pamela Finch Philip C. Reynolds, Jr. Michael L. Rich Donald C. Young
Commissioners Absent:	Chair: Commissioner:	Cynthia L. Dodd Ron Bonhagen
Staff Present:	Community Development Director: Associate Planner: Associate Planner: Senior Planner: City Attorney: Recording Secretary:	Paul Kermoyan Daniel Fama Stephen Rose Cindy McCormick William Seligmann Corinne Shinn

**APPROVAL OF MINUTES**

**Motion:** Upon motion by Commissioner Reynolds, seconded by Commissioner Young, the Planning Commission minutes of the meeting of March 8, 2016, were approved as submitted. (4-0-2-1: Chair Dodd and Commissioner Bonhagen were absent and Commission Finch abstained)

Director Paul Kermoyan pointed out Condition 5 and asked the Commission if that particular condition would suffice to meet that intent.

Commissioner Finch replied yes.

**Motion:** Upon motion of Commissioner Finch, seconded by Commissioner Reynolds, the Planning Commission adopted Resolution No. 4281 approving a term-limited Conditional Use Permit (PLN2016-24) to allow the establishment of an indoor athletic fitness center (d.b.a. Sirius Baseball) within an existing commercial building located at 1520 Dell Avenue, Suites A & B, subject to the conditions of approval, by the following roll call vote:

**AYES:** Finch, Kendall, Reynolds, Rich and Young

**NOES:** None

**ABSENT:** Bonhagen and Dodd,

**ABSTAIN:** None

Acting Chair Kendall advised that this action is final unless appealed in writing to the City Clerk within 10 calendar days.

\*\*\*

Acting Chair Kendall read Agenda Item No. 5 into the record as follows:

5. **PLN2016-32** Public Hearing to consider the City-initiated Zoning Text Amendment (PLN2016-32) to amend Campbell Municipal Code Sec. 21.18.140 (**Undergrounding of Utilities**) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements. Staff is recommending that this project be deemed exempt from CEQA under Section 15061.b.3. Tentative City Council Meeting Date: April 19, 2016. *Project Planner: Daniel Fama, Associate Planner*

Mr. Daniel Fama, Associate Planner, presented the staff report.

Acting Chair Kendall asked if there were questions of staff.

Commissioner Rich clarified that the intent is to have local streets exempt from the undergrounding requirement.

Planner Daniel Fama replied, yes, as is indicated in the General Plan.

Acting Chair Kendall opened the Public Hearing for Agenda Item No. 5.

Brian Horton, Resident on Ridgeley:

- Reported that he is directly affected by this change.

- Advised that in June 2015, he received a permit for his home addition and the undergrounding requirement was imposed on his project.
- Added that he is simply enlarging his small 1,000 s.f. home up to 1,800 s.f. in order to better serve his family that includes two kids and his mom.
- Informed that there are three houses on his street with underground utilities and the rest that do not are mainly already remodeled.
- Stated that if this amendment is not passed, he would have to relocate quite a distance at great cost in order to preserve a large oak tree.
- Said that public good is not being served by undergrounding one house at a time. He'd rather see all done at once.

Acting Chair Kendall closed the Public Hearing for Agenda Item No. 5.

Commissioner Reynolds asked staff if this amendment would be retroactive to assist Mr. Horton.

Planner Daniel Fama replied yes. Upon adoption, existing projects on local streets would be waived of the undergrounding requirement that may have been imposed but not yet installed.

Commissioner Reynolds said that this is a common-sense amendment that he will support.

Commissioner Young said that he had similar concerns on how this Ordinance is applied over time. He said it would not be detrimental and he agrees with Commissioner Reynolds that this amendment makes sense.

**Motion:** Upon motion of Commissioner Finch, seconded by Commissioner Rich, the Planning Commission adopted Resolution No. 4282 recommending that the City Council adopt a Zoning Text Amendment to amend Campbell Municipal Code Sec. 21.18.140 (Undergrounding of Utilities) to exempt development of single-family residential properties located along local streets from the utility undergrounding requirements, by the following roll call vote:

<b>AYES:</b>	<b>Bonhagen, Dodd, Finch, Kendall, Reynolds, Rich and Young</b>
<b>NOES:</b>	<b>None</b>
<b>ABSENT:</b>	<b>None</b>
<b>ABSTAIN:</b>	<b>None</b>

Acting Chair Kendall advised that this action would be considered by the City Council at its meeting of April 19, 2016 for final action.

\*\*\*

Acting Chair Kendall read Agenda Item No. 6 into the record as follows:



# City Council Report

**Item:** 9.  
**Category:** Public Hearing  
**Meeting Date:** April 19, 2016

---

**Title:** APPROVAL OF 2016-17 SCHEDULE OF FEES AND CHARGES  
(Resolution/Roll Call Vote)

## **RECOMMENDATION**

That the City Council approve the attached resolution adopting the FY 2016-17 (FY 17) Schedule of Fees and Charges to be effective July 1, 2016.

## **BACKGROUND**

The City's financial policies require that fees and charges for services be reviewed and updated annually to ensure that they keep pace with the changes in the cost of providing related services and/or changes in methods or levels of service delivery. The California Government Code requires, for development-related fees, a 60-day period between approval of the resolution and implementation of the fee. Because the City's fee schedule contains a number of development-related fees, staff recommends an effective date of July 1, 2016 for all fees contained within the fee schedule.

The City has a User Fee and Cost Recovery Policy that identifies criteria to be utilized in preparing the annual fee schedule and recommendations for new fees. Each year, in conjunction with development of the annual operating budget, staff reviews the costs of providing fee-related services including overhead. The policy addresses desired levels of cost recovery that are used as a basis for setting fees. Furthermore, this data is useful for substantiating overhead rates and factors for state and federal grants.

The City prepared a comprehensive user fee study and cost allocation plan that was presented to Council in a study session on April 20, 2010. As a result, over the last several fiscal years, the City has been able to recover a greater proportion of the costs to provide services, consistent with the cost recovery policy. Staff is planning to undertake a comprehensive update during Fiscal Year 2017.

## **DISCUSSION**

During the intervening periods between performing a full cost study and user fee analysis, the City generally assumes the relationships between the costs and user fees remain consistent and that fees are then adjusted based on changes in actual costs such as salary and benefits or by an inflationary index. The updated cost allocation and fee study data is the baseline used to adjust fees in intervening years while also taking into consideration other factors such as percentage increases, appropriate subsidy levels and comparative fee data.

The schedule of fees and charges (Attachment 2) compares the proposed fees for FY 17 with the existing fees. The remainder of this discussion highlights the proposed changes, by department.

## COMMUNITY DEVELOPMENT

Under the current User Fee and Cost Recovery Policy, Planning and Building services are intended to reflect a high rate of cost recovery with an exception for those services that "serve the broader community as well as the individual applicant". Planning staff used the process of analyzing service costs developed during the 2010 fee study to identify opportunities to improve cost recovery for existing services as well as services for which little or no cost recovery was being achieved.

There are four new fees and one updated fee (above 2%) proposed for Community Development.

### New Fees:

#### *Administrative Sign Program - \$1,071*

This fee is for the cost of the Community Development Director to review Administrative Sign Programs proposed for new or existing projects.

#### *Below Market Rate Agreement (with density bonus) - \$2,240*

This new fee is to recover staff time for the Senior Planner to analyze and review agreements with a density bonus. The density bonus agreements are substantially more complex and require more staff time.

#### *Park In-Lieu Fee – Secondary Dwelling Unit – \$7,309*

This fee has existed in the past and has been charged in the past, (Park In-Lieu Fee Density Range >21 Per Gross Acre - \$7,309) however, staff is proposing to break-out and clarify the secondary dwelling fee in its own line item in the fee schedule.

#### *Senior Planner Hourly Rate - \$160*

With the addition of the Senior Planner position for the City of Campbell, the hourly staff rate has been added to the staff list for Community Development.

### Updated Fee:

Zoning Map (Color 11x17 – Quadrant or 11x17 Citywide) - \$8.00 is proposed to increase to \$9.00 for FY 17 in order to better capture actual costs.

For the remaining existing fees, staff is recommending a 2% increase to all Community Development and Building fees to reflect increased operating costs, except those fees set by statutory limit and those based on a per square foot or similar ratio. Use Permit fees would remain unchanged.

Hourly rates for staff time have been increased to reflect increases in operating costs. The hourly rates include full benefit costs as well as an allocation of general and administrative overhead expenses as developed during the cost allocation and fee study project. Hourly rates are applicable to those fees which are based on actual cost reimbursement.

## POLICE DEPARTMENT

There are no new fees proposed. There are two proposed increases (above 2%) for copies of CAD reports and Police reports. Currently each page is charged at 5 cents per page. The proposed updated fee would be for the first 10 pages to be free, with a 10 cent charge per page over 10 pages.

All other fees, with the exception of those fees set by specific government statute, are proposed to be increased by 2% to reflect general inflationary increases in costs.

Basic parking fines, which were last increased in FY 11 to their current level of \$40 and \$70, put the City at rates comparable to other cities in the region. No increase in existing parking citation fees is proposed for FY 17.

## FIRE PROTECTION SERVICES

Fees related to Fire Department annual inspections, hazardous materials permits, building plan reviews, and similar services are proposed to be increased by 2% in FY 17 to reflect general inflationary increases in costs, except where limited by statute.

## PUBLIC WORKS DEPARTMENT

Based on the results of a 2010 extensive fee study and keeping focus on the current User Fee and Cost Recovery Policy goal of recovering a high percentage of costs relative to private development, staff is recommending an average fee increase of 2% to reflect increased operating expenditures. No fee increase is recommended for fees based on formulas or subject to statutory limits. There is one update to the Public Works Fees listed below.

Hourly rates for staff time have been increased to reflect increases in operating costs. The hourly rates include full benefit costs as well as an allocation of general and administrative overhead expenses as developed during the cost allocation and fee study project. Hourly rates are applicable to those fees which are based on actual cost reimbursement.

The fees for hourly or daily use of equipment remain unchanged.

### Updated Fee:

#### *Encroachment Permit Plan Check, & Inspection Fees*

*Additional Fees for Cost of Engineer's Estimate exceeding \$550,000 (to incur \$55,000 + 7% of Engineer's Estimate >\$550,000)*

This fee has been changed to a lower threshold of >\$500,000 of Engineer's Estimate of for FY 17 that would incur fees.

## CITY ADMINISTRATIVE FEES

Ordinance 2132 includes a provision that allows Business License Tax rates to be increased by ordinance in an amount not to exceed 2% on an annual basis, subject to Council approval. Staff is recommending increasing the existing Business License Tax rate schedule by the 2% factor. A separate item on the April 19<sup>th</sup> agenda contains the first reading of the revised ordinance.

The rental dispute fee is a pass-through that goes to Project Sentinel for landlord-tenant mediation services during the fiscal year. No increase is proposed for this fee.

Staff is recommending a 2% inflationary increase to most of the other fees included in this schedule. Total revenue from these fees is not significant.

## RECREATION AND COMMUNITY SERVICES

Three fiscal years ago, the Recreation department increased fees 4.5% when it implemented a new registration and facility management system. Other changes and modifications to its fees and services were made as well. For FY17, there are two updates proposed to the Recreation Department's fee schedule listed below.

### Updated Fees:

The current Production Manager fee of \$40 per hour is proposed to increase to \$45 per hour. The House / Event Staff fee is currently \$25 per hour and is proposed to increase to \$30 per hour. The proposed increase in fees for both positions will better reflect current actual costs.

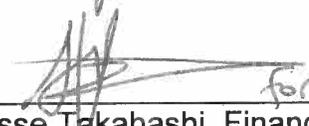
## **FISCAL IMPACT**

The City's Financial and User/Fee Cost Recovery Policies require an annual evaluation of user fees and charges in an effort to keep the costs of providing certain services in line with both the allowable and appropriate level of cost recovery. This year's proposed increases to specific fee items help maintain and/or move the City closer to recovering its costs to provide the related services.

Revenue projections are made based on the fee structure and activity levels and results were incorporated as appropriate, consistent with the existing User Fee and Cost Recovery Policy. Total user fee related budget revenue for FY 16 is approximately \$4 million. The additional revenue generated from implementing the proposed increases to existing fees is estimated to be approximately \$45,000. This estimate assumes roughly the same activity levels for FY17 that is projected for FY16, excluding one-time major building projects.

Preliminary estimates of increases to the fee schedule have been incorporated into the Proposed FY 17 Operating Budget that will be discussed at the upcoming Study Session on May 2, 2016. To the extent changes are made to the recommendations there could be a corresponding impact to the budget.

Prepared By:   
Sharif Etman, Finance Manager

Prepared By:  for  
Jesse Takahashi, Finance Director

Approved By:   
Mark Linder, City Manager

- Attachments:  
1- Resolution  
2- FY 17 Schedule of Fees and Charges

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF CAMPBELL MODIFYING THE SCHEDULE OF  
FEES AND CHARGES

WHEREAS, the City of Campbell Financial Policies require an annual evaluation of the Schedule of Fees and Charges to ensure that recovery of the cost of providing services is recovered where appropriate; and

WHEREAS, there has been presented to the City Council of the City of Campbell a Schedule of Fees and Charges for Fiscal Year 2016-17; and

WHEREAS, all of the required legal notices have been published pursuant to Government Code; and

WHEREAS, the City Council of the City of Campbell hereby adopts the attached modifications to the Schedule of Fees and Charges to be paid to the City of Campbell by all persons desiring to obtain those items or services contained in the attached Fee Schedule effective July 1, 2016; and

WHEREAS, the City Council authorizes the hourly billing rates contained in the schedule of Fees and Charges to be increased to reflect the estimated actual cost increase in salaries, benefits, and indirect overhead costs;

NOW, THEREFORE, BE IT RESOLVED that the attached schedule of fees and charges be adopted and that this Resolution and the fee schedule be made an addendum to the City Council Policy Manual.

PASSED AND ADOPTED this 19<sup>th</sup> day of April, 2016, by the following roll call vote:

AYES: Councilmembers

NOES: Councilmembers

ABSENT: Councilmembers

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

## City of Campbell ~ Administrative Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Annual Budget Document	\$ 52.00	\$ 53.00
Appeal Filing Fee	200.00	200.00
Business License Listings:		
One-Month (New Businesses)	26.00	26.50
Apartments Only	26.00	26.50
All Businesses (Including Apartments)	83.00	84.50
All Businesses (Excluding Apartments)	68.00	69.00
Mailing Labels - All Businesses (Including Apartments)	89.00	91.00
Mailing Labels - All Businesses (Excluding Apartments)	72.00	73.00
Business License - Mandatory State ADA fee	1.00	1.00
City Code Book	143.00	143.00
City Code Annual Update Service (Fees are Per Year)	39.00	39.00
City Council/Planning Commission Meetings Audio Disc	17.00	17.00
City Council/and Other Meetings Video Disc	20.00	20.00
City Flag	59.00	60.00
Comprehensive Annual Financial Report	33.00	34.00
Duplicate Business License (Replacement Original)	10.00	10.00
Document Certification (No Charge to other Governmental Agencies)	2.00	2.00
Initiative Petition Filing Fee (To be refunded within one year if City Clerk certifies the Sufficiency of Petition.) (Legal Limit)	200.00	200.00
Non-Sufficient Funds Service Charge (Legal Limit)	25.00	25.00
Photocopies (excluding Police Reports) and each page of minutes and excerpts from Planning Commission and City Council Minutes book. The charge to any agency, persons and/or organizations that are directly subsidized, either wholly or in part by the City of Campbell will be determined by the City Manager or his designated representative. (No charge to other governmental agencies.)	1.00	1.00
	0.10	0.10

## City of Campbell ~ Administrative Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Campaign Disclosure Information shall not exceed \$.10/page.	\$ 0.10 (Per Page)	\$ 0.10 (Per Page)
Photograph Duplication - Polaroid Copy	Actual Cost of Processing <sup>1</sup>	Actual Cost of Processing <sup>1</sup>
Photograph Duplication - 4 x 5 Photo	Actual Cost of Processing <sup>1</sup>	Actual Cost of Processing <sup>1</sup>
Photograph Duplication - 8 x 10 Photo	Actual Cost of Processing <sup>1</sup>	Actual Cost of Processing <sup>1</sup>
Photograph Duplication - 11 x 14 Photo	Actual Cost of Processing <sup>1</sup>	Actual Cost of Processing <sup>1</sup>
Playing & Monitoring Tape of City Council and Planning Commission Meetings	36.00 (Per Hour)	37.00 (Per Hour)
Preparation of Public Information Requests and Staff Research  <small>This fee applies to the creation of a new document not normally prepared, owned, used or retained by the City as part of the conduct of the Public's business.</small>	Actual Hourly Rate	Actual Hourly Rate
Rental Dispute Administration (Added to Business License Fee)	11.00 /Unit	11.00 /Unit
Scavenging Permit (Municipal Code Section 6.04.160) (Requires Business License - Industrial)	265.00 /Year	270.00 /Year
Zoning Ordinance	24.00	25.00

<sup>1</sup> **Per Government Code 6253(b) and the City Attorney**

## City of Campbell ~ Community Development Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Address Change or Addition <i>(Per Address)</i>	\$ 131.00	\$ 134.00
Appeal Filing Fee to Planning Commission	200.00	200.00
Appeal Filing Fee to City Council	200.00	200.00
Below Market Rate Agreement (no density bonus)	1,253.00	1,600.00
Below Market Rate Agreement (with density bonus)	N/A	2,240.00 *
Building Permit (Minimum Fee)	101.00	103.00
Building Permit Fees <i>(Values up to \$500,000)</i>	2.00% of Assessed Valuation	2.00% of Assessed Valuation
Building Permit Fees <i>(Values Over \$500,000)</i>	1.66% of Assessed Valuation	1.66% of Assessed Valuation
Sub Trade Permits <i>(Base Fee)</i>	101.00	103.00
Sub-Permits (Bldg., Elec., Mech./Permit)	39.00 (\$45.00 Minimum)	40.00 (\$45.00 Minimum)
Over 1,500 sq. ft. <i>(Per Square Foot)</i>	0.068	0.068
General Plan Maintenance Fee	8% of B.P. fee	8% of B.P. fee
Housing Code/Zoning Code Updates/Area Plans	Included Above	Included Above
State Mandated California Building Standards Commission Fee	\$4.00/\$100,000 (\$1.00 Minimum)	\$4.00/\$100,000 (\$1.00 Minimum)
Categorical Exemption Determination	210.00	214.00
Condition Monitoring Fee (Major Projects)	Hourly Rate Deposit	Hourly Rate Deposit
Construction Tax <i>(Per Square Foot)</i>	0.50	0.50
Consultant Reports	Cost + 20%	Cost + 20%
Density Bonus Agreement	1,110.00	- **
Demolition of Structures <i>(Per Structure)</i>	267.00	272.00
Development Agreement	3,000.00 (Deposit)	3,000.00 (Deposit)
E.I.R. Review	Actual Cost	Actual Cost
0 - 1 Acre	+20% Administrative Overhead	+20% Administrative Overhead
1 - 5 Acres	Actual Cost	Actual Cost
	+20% Administrative Overhead	+20% Administrative Overhead
5 + Acres	Actual Cost	Actual Cost
	+20% Administrative Overhead	+20% Administrative Overhead

\* New Fee as of July 1, 2016

\*\* Delete Fee as of July 1, 2016

## City of Campbell ~ Community Development Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Document Imaging Fees (Minimum Fee \$2.00)		
Plan Sheet (24" x 36" or Larger) <i>(Cost Per Sheet)</i>	\$ 2.00	\$ 2.00
Source Page (8½" x 11") <i>(Cost Per Page)</i>	2.00	2.00
Reproduction of Microfiche <i>(Cost Per Sheet)</i>	3.70	3.70
Reproduction of Microfiche <i>(Cost Per Page)</i>	2.00	2.00
Extensions of Time of Existing Permit	3,198.00 *	3,262.00 *
Fence Exception(Lattice Extension rear/side yard)	440.00	449.00
Fence Exception - CDD Approval	661.00	674.00
Fence Exception - Planning Commission Approval	661.00	674.00
General Plan	70.00	71.00
General Plan Amendment - Authorization to Proceed	2,759.00 ***	2,814.00 ***
General Plan Amendment	12,474.00	12,723.00
0 - 1 Acre	See above	See above
1 - 5 Acres	See above	See above
5 + Acres	See above	See above
General Plan Maps (Color)	41.00	42.00
Home Occupation Fee	56.00	57.00
Inclusionary Ordinance In-Lieu fee		
Owner Occupied Units	34.50 /sq. ft.	34.50 /sq. ft.
Rental Units	21.50 /sq. ft.	21.50 /sq. ft.
Initial Study Negative Delaration	5,400.00 **Dep	5,500.00 **Dep
Initial Study Mitigated Negative Declaration	10,800.00 **Dep	11,000.00 **Dep
Mills Act Historic Property Incentive Contract Application	1,624.00	1,656.00
NPDES Inspection Fee	62.00	63.00
Other Inspections <i>(Hourly Rate - Two Hour Minimum)</i>	89.00	91.00
Outdoor Seating (DT)	330.00	337.00
Parking Modifications (Stand Alone Requests)	943.00	962.00
Park In-Lieu Fee - Density Range:		
> 21 Per Gross Acre (High Density)	7,166.00	7,309.00
13 to < 21 Per Gross Acre (Medium Density)	7,306.00	7,452.00
6 to < 13 (Low/Medium Density or Mixed Use)	10,388.00	10,595.00
< 6 dua/c (Low Density)	17,796.00	18,151.00
Park In-Lieu Fee - Secondary Dwelling Units	N/A	7,309.00 ****
Plan Check Fee <i>(See Also Title 24 Fees)</i>	33% Added to Bldg. Permit	33% Added to Bldg. Permit
Added Plan Check Fee <i>(Mid Job Plan Changes - One Hour Minimum)</i>	149.00 /Hour	152.00 /Hour

\* Or 50% of original application fee, whichever is less

\*\* Initial Study Negative Declaration & ISMND deposit is for fees and expenses incurred. Depending on total costs, there may be no refund.

\*\*\* 50% Applied toward G.P. Application

\*\*\*\* New Fee as of July 1, 2016

## City of Campbell ~ Community Development Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Planned Development Permit		
Administrative (Change of Use Only)	\$ 939.00	\$ 958.00
Administrative Approvals (All others)	1,432.00	1,461.00
0 - 1 Acre	9,763.00	9,958.00
1 - 5 Acres	13,790.00	14,066.00
5 + Acres	17,552.00	17,903.00
Modification of Planned Development	4,908.00	5,006.00
Post Entitlement Plan Check		
Administrative Projects	65.00	66.00
Minor Public Hearing Projects	162.00	164.00
Major Public Hearing Projects		
Tier 1	438.00	447.00
Tier 2	545.00	556.00
Pre-Application Fee	1,194.00 **	1,218.00 **
Pre-application Fee - Tier 2	2,229.00 **	2,274.00 **
Reasonable Accommodation	3,809.00 Dep (hrly rate)	3,885.00 Dep (hrly rate)
Recording Fee - County		
Code Enforcement	50.00	50.00
Categorical Exemptions	50.00	50.00
Negative Declarations	50.00	50.00
Re-Inspections (2nd Call) Must be paid before additional inspection occurs.	149.00	152.00
Relocation Inspections (Per Structure)	267.00	272.00
Seismic Fee - Residential (State)	.00013 of Assessed Valuation	.00013 of Assessed Valuation
Seismic Fee - Others (State)	.00021 of Valuation	.00021 of Valuation
Signs (Cost Per Sign)	386.00	394.00
Additional Sign Per Business (Filed @ Same Time)	165.00	168.00
Administrative Sign Program	N/A	1,071.00 *
Downtown (C-3) Sign Exceptions	828.00	845.00
Freeway Oriented Sign	6,076.00	6,198.00
Readerboard Signs	3,973.00	4,052.00
Sign Exceptions	2,759.00	2,814.00
Signing Programs (Five or More Signs)	2,759.00	2,814.00
Temporary Signs	54.00	55.00
Site & Architectural Review (Non SFR)		
1 - 5,000 s.f. Building	4,775.00	4,871.00
5,001 s.f. - 10,000 s.f. Building	7,001.00	7,141.00
Over 10K s.f. Building	10,008.00	10,208.00
Admin Site & Architectural (Residential)	1,050.00	1,071.00
Site & Architectural Review - Residential (PC)		
Residential (Per House) (PC)	1,591.00	1,623.00
Minor Modification to Side Yard Setback (PC)	2,430.00	2,479.00
Modification	1,592.00	1,624.00

\* New Fee as of July 1, 2016

\*\* 50% applied to formal application

## City of Campbell ~ Community Development Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Special Project Fee <i>(See Actual Rates - CD Page 5 of 6)</i>	--	--
Tentative Parcel Map	\$ 6,237.00	\$ 6,362.00
Tentative Subdivision Map	9,227.00	9,412.00
Modification to a Tentative Map	4,361.00	4,448.00
Title 24 Energy Plan Check Fee <i>(See Also Plan Check Fee)</i>	20% of Calculated Plan Check Fee	20% of Calculated Plan Check Fee
Tree Removal Permit <i>(Except SFR)</i>	165.00	168.00
Additional Trees <i>(Same Permit)</i>	54.00 /tree	55.00 /tree
Underground Utility Waiver	965.00	984.00
Underground Utility Waiver(Commercial)	2,465.00	2,514.00
Use Permit:		
Wireless Communication Facilities	4,775.00	4,871.00
Massage Therapy	1,862.00	1,899.00
Large Family Day Care	1,862.00	1,899.00
All Others	3,827.00	3,904.00
Modification	50% of Fee *	50% of Fee *
Single Family Residential Designated Landmark Alteration <i>Refer to CMC 21.41.130-B</i>	350.00	350.00
Variance Modification	50% of Fee *	50% of Fee *
Variance - Non-Residential	5,192.00	5,296.00
Variance - Residential	2,076.00	2,118.00
Work Without Permit	2 x Bldg. Permit	2 x Bldg. Permit
Zoning Certification Letter	330.00	337.00
Zone Change	8,713.00	8,887.00
0 - 1 Acre	See Above	See Above
1 - 5 Acres	See Above	See Above
5 + Acres	See Above	See Above
Zoning Clearance - Plan Check	54.00	55.00
Zoning Map (Color - Full Size)	37.00	38.00
Zoning Map (Color 11x17 - Quadrant or 11x17 Citywide)	8.00	9.00

### Exception for Major/Minor Projects:

If it is anticipated that the application processing costs of selected minor or major projects will be significantly less or more than the above fees, the Community Development Director may at his/her discretion collect a deposit for the estimated staff time costs to process the application based on hourly rates.

\* Or 50% of original application fee, whichever is less

**City of Campbell ~ Community Development Fees**  
**Downtown Event Fees**

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
<b><u>Special Event Fees</u></b>		
Administrative Review Fee (See description below)	\$ 1,430.00	\$ 1,459.00
Equipment Use Fees (See description below)	See Public Works Fees	See Public Works Fees
Event Day Staff Support	Actual Costs	Actual Costs
New Event Application Fee	550.00	561.00
Security/Clean-up Refundable Deposit	550.00	561.00
Special Event Permit (See description below)	1,652.00	1,685.00
<b><u>Event Day Staff Support</u></b>		
Police	Actual Costs	Actual Costs
Public Works	Actual Costs	Actual Costs

**Administrative Review Fee** covers the costs associated with the Special Event Committee's time to schedule meetings, prepare agendas, prepare invoices, collect and process fees, etc.

**Equipment Use Fees** are fees for such items as barricades, cones, safety vests, No Park Signs, etc. All items are listed and will be charged as indicated on the current Public Works Fee Schedule.

**New Event Application Fee** covers all costs associated with obtaining the required documents for a new event proposal, preparing the event memo, routing the application to appropriate departments, and follow-up with applicant.

**Special Event Permit Fees** are designed to cover the costs of the impact special events have on public property.

**Public Works Fees** include the cost for PW personnel and associated equipment required for closing the streets, (i.e. barricade installation/removal, pick-up trucks, closing and opening the streets, provision and placement of directional and/or letterboard signs, etc.)

**Police Fees** cover costs associated with the services provided by the Campbell Police, which shall include, but not be limited to, closing the streets and event day supervision provided as per the Police Security Plan developed by CPD. Organizer shall be responsible for services provided after event closure until the crowd has dispersed and the area is deemed safe.

**Refundable Deposit** is a fee held on deposit to use in the event of damage to public property. If any damages should result the repair/replacement costs exceed \$500, the event host will be billed the balance. If there are no damages and no additional fees due, this deposit shall be returned to event organizer.

## City of Campbell ~ Community Development Fees

For services rendered from time of mobilization until time secured, including salary, benefits and City wide indirect cost allocation.

<u>Position</u>	<u>FY 16* Hourly Rate</u>	<u>FY 16* Overtime Rate</u>	<u>FY 17* Hourly Rate</u>	<u>FY 17* Overtime Rate</u>
Building Division Manager/Building Official	\$ 181.04	\$ 271.56	\$ 184.66	N / A
Building Inspector	\$ 136.65	\$ 204.97	\$ 139.38	\$ 209.07
Code Enforcement Officer	\$ 128.94	\$ 193.41	\$ 131.52	\$ 197.28
Executive Assistant	\$ 105.00	\$ 157.50	\$ 107.10	\$ 160.65
Permit Technician	\$ 98.62	\$ 147.93	\$ 100.59	\$ 150.89
Assistant Planner	\$ 136.15	\$ 204.22	\$ 138.87	\$ 208.31
Associate Planner	\$ 142.95	\$ 214.43	\$ 145.81	\$ 218.72
Senior Planner	\$ -	\$ -	\$ 160.00	\$ 240.00

\* Three Hour Minimum for Overtime Call

## City of Campbell ~ Fire Department Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
<b><u>Annual Inspection Permits</u></b>		
Aerosol Products (500 lbs. - Minimum)	\$ 260.00	\$ 265.00
Assembly (50 - 300)	260.00	265.00
Assembly (> 300)	434.00	443.00
Candles/Open Flames in Assemblies	88.00	90.00
Carnival/Fair	434.00	443.00
Cryogenes	260.00	265.00
Day Care - Commercial (Less than 50)	147.00	150.00
Day Care - Commercial (Greater than 50)	219.00	223.00
Dry Cleaning	257.00	262.00
Dust Producing Operations	305.00	311.00
Failure to Obtain/Maintain Required Permits	Double Fee	Double Fee
High Piled Storage	486.00	496.00
High Rise Building ( <i>Per Floor</i> )	131.00	133.00
Hot Work Operations <i>e.g. Welding / Cutting</i>	332.00	339.00
Institutional (7 - 50 People)	392.00	400.00
Institutional (Greater than 50 People)	521.00	531.00
Liquid or Gas Fueled Vehicles in Assembly	89.00	91.00
Lumber Yard	260.00	265.00
Occupant Load Increase	89.00	91.00

**Notes:**

*Fees are set by the City but administered by Santa Clara County Fire Department.  
Fees apply to only those quantities of materials or operations that require permits in accordance with the Fire Code.*

## City of Campbell ~ Fire Department Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
<b><u>Annual Inspection Permits</u></b>		
Ovens, Industrial Baking or Drying	\$ 260.00	\$ 265.00
Radioactive Materials	486.00	496.00
Repair Garage	347.00	354.00
Residential Care Facilities (7 - 50 People)	392.00	400.00
Residential Care Facilities (Greater than 50 People)	520.00	530.00
Spray Painting or Dipping Operations	260.00	265.00
Tent	260.00	265.00
Woodworking Shop	395.00	403.00
<b><u>Day Care Inspection</u></b>		
Residential (Child / Elderly / Community) Less Than 26 *	53.00	54.00
Residential (Child / Elderly / Community) 26 & Over *	104.00	106.00
<b><u>Hazardous Material Permits</u></b>		
Aboveground Facility Closure **	89.00	91.00
Aboveground System Closure (Per System)	347.00	354.00
Aboveground System Installation (Per System)	523.00	533.00
Aboveground System Modification (Per System)	347.00	354.00
E.I.R Review	1,735.00	1,770.00
Haz Mat - Long Form	482.00	492.00
Haz Mat - Long Form (Helium Gas Only - 6 Tanks or Less)	131.00	134.00
Haz Mat - Short Form	260.00	265.00
Negative Declaration Review	260.00	265.00
Underground Tank Annual Permit	482.00	492.00
Underground System Closure (Per System)	347.00	354.00
Underground System Installation (Per System)	521.00	532.00
Underground System Modification (Per System)	347.00	354.00

**Notes:**

*Fees are set by the City but administered by Santa Clara County Fire Department.*

*Fees apply to only those quantities of materials or operations that require permits in accordance with the Fire Code.*

*\* Limits set per Health & Safety Code - Section 13235*

*\*\* Additional closure fees may be required based on the type and number of hazardous materials systems closed.*

## City of Campbell ~ Fire Department Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
<b><u>Operations</u></b>		
Non-Emergency Standby/After Hours Inspection	\$ 3,017.00	\$ 3,077.00
<b><u>Plan Review and Permit</u></b>		
Architectural Review (Hourly Rate)	95.00	97.00
Automatic Sprinklers (Plus \$1.25/Head)	208.00	212.00
Fire Alarms (Plus \$5.00/Device)	390.00	398.00
On-Site Hydrant Systems (Plus \$60.00/Hydrant)	499.00	509.00
<b><u>Microfiche Fees/ Digital Imaging</u></b> (Minimum Fee \$2.00)		
Plan Sheet (Cost Per Sheet)	1.35	1.35
Source Page (Cost Per Page)	0.60	0.60
Reproduction of Microfiche (Plan Sheet, Cost Per Sheet)	3.70	3.70
Reproduction of Microfiche (Source Page)	0.85	0.85
Preliminary Plan Review	88.00	90.00
Planning Permit/Approval Review	260.00	265.00
Special Systems (Leak Detection, Halon, CO2, Hood Standpipe)	434.00	443.00
Sub-division Map Review (Plus \$10/Per Lot/Unit/Story)	172.00	175.00
<b><u>Services</u></b>		
CEQA Review	498.00	508.00
CPR Classes (Per Person)	33.00	34.00
Inspection Outside of Regular Office Hours (Hourly Rate, One Hour Minimum)	131.00	134.00
Records Search (Hourly Rate, One Hour Minimum)	70.00	72.00
This fee applies to the creation of a new document not normally prepared, owned, used or retained by the City as part of the conduct of the Public's business.		

**Notes:**

Fees are set by the City but administered by Santa Clara County Fire Department.

Fees apply to only those quantities of materials or operations that require permits in accordance with the Fire Code.

## City of Campbell ~ Fire Department Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
<b><u>Services</u></b>		
Reinspection - 4th & Subsequent <i>(Hourly Rate, One Hour Minimum)</i>	\$ 95.00	\$ 97.00
Special Inspections <i>(Hourly Rate, Two Hour Minimum)</i>	95.00	97.00
Variance Application <i>(Alternate Methods &amp; Materials)</i>	260.00	265.00

### **NOTES:**

Failure to submit and maintain the following correct and current Hazardous Materials Documents: HMIS (before bringing hazardous materials into City and thereafter), HMMP (within 30 days of notification and thereafter), HMMP (within 30 days of notification and thereafter), Closure Permit (30 Days Prior), CEQA Application (before bringing hazardous material into City), the fee will double as a result of non-compliance.

Excluding penalties, annual Fire Code Permit fees shall not exceed \$750.00 per business location.

*Fees are set by the City but administered by Santa Clara County Fire Department.*

*Fees apply to only those quantities of materials or operations that require permits in accordance with the Fire Code.*

**City of Campbell ~ Police Department Fees**

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Adult Oriented Business (New)	\$ 917.00	\$ 935.00
Adult Oriented Business (Renewal)	458.00	467.00
Arcade Permit/ Pool Hall	689.00	703.00
Arrest Log Release	0.05/pg <sup>4</sup>	0.05/pg <sup>4</sup>
Audio Recording Copy, Discovery	Actual Cost of CD <sup>4</sup>	Actual Cost of CD <sup>4</sup>
Audio Recording Copy, Dispatch	Actual Cost of CD <sup>4</sup>	Actual Cost of CD <sup>4</sup>
Block Party Permit	106.00	108.00
CAD Incident Report (10 pp. free, 0.10 for ea. page over 10)	.05/pg <sup>4</sup>	.10/pg <sup>4</sup> (after first 10 pp.)
Concealed Weapon - Annual Renewal	53.00	54.00
Concealed Weapon - Permit	370.00 <sup>6</sup>	370.00 <sup>6</sup>
Driving Under the Influence - Cost Recovery (Hourly Rate)	140.00	143.00
False Alarm Fee - 4th Alarm	165.00	168.00
5th Alarm	165.00	168.00
6th Alarm	165.00	168.00
7th Alarm	220.00	224.00
8th Alarm	220.00	224.00
9th Alarm	220.00	224.00
10th Alarm	275.00	281.00
11th Alarm on Up	275.00	281.00
Firearms - Sale - Permit (Business)	510.00	520.00
Firearms - Sale - Annual Renewal (Business)	224.00	228.00
Hypnotherapy Permit	689.00	703.00
Live Entertainment Permit	900.00	918.00
Live Scan Applicant - 13300PC	10.00 <sup>2</sup>	10.00 <sup>2</sup>
Massage Establishment (New) - Owner Not State Certified	510.00	520.00
Massage Establishment (Annual Renewal)- Owner Not State Certified	224.00	228.00
Massage Establishment Annual Renewal (Owner State Certified)	- <sup>8</sup>	- <sup>8</sup>
Massage Therapist / Trainee (New)	- <sup>8</sup>	- <sup>8</sup>
Massage Therapist / Trainee (Renewal)	- <sup>8</sup>	- <sup>8</sup>
Massage Therapist (State Certification Fee)	- <sup>8</sup>	- <sup>8</sup>
Massage Permit (See Massage Establishment Fees)		
Naturalization VISA Letter	30.00	31.00
Occult Science Permit	689.00	703.00
Pawn/Secondhand - Permit	459.00	468.00
Pawn/Secondhand - Renewal	114.00	116.00
Photograph - Print or Digital Image	Actual Cost of Print or CD <sup>5</sup>	Actual Cost of Print or CD <sup>5</sup>

## City of Campbell ~ Police Department Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Police Report (10 pp. free, 0.10 for ea. page over 10)	\$ .05/pg <sup>4</sup>	\$ .10/pg <sup>4</sup> <i>(after first 10 pp.)</i>
Pool Hall/Arcade Permit (see Arcade)		
Private Party Funeral Escort Operator Permit	228.00	233.00
Repossession Fee	15.00 <sup>1</sup>	15.00 <sup>1</sup>
Research/Archiving ( <i>Hourly Rate</i> )	25.00 <sup>5</sup>	25.00 <sup>5</sup>
Security Services - Outside Work Assignments ( <i>Hourly Rate - Two Hour Minimum</i> )	59.00	60.00
Semi-Arcade Permit	574.00	585.00
Solicitation Permit Fees (New)	171.00	174.00
Solicitation Permit (Renewal)	85.00	87.00
Taxi-Permit (Non-Local)	918.00	936.00
Tow Company Permit	2,247.00	2,292.00
Tow Driver Certificate ( <i>New</i> )	50.00 <sup>3</sup>	50.00 <sup>3</sup>
Tow Driver Certificate ( <i>Renewal</i> )	12.00 <sup>3</sup>	12.00 <sup>3</sup>
Used Car Dealer	228.00	233.00
Vehicle Release - Storage/Impound	125.00	128.00
Vehicle Release - 30 Day/Impound	151.00	154.00
Video Recording Copy (Replaces Item Above)	Actual Cost of DVD <sup>4</sup>	Actual Cost of DVD <sup>4</sup>

<sup>1</sup> Per California Government Code 41612 - \$15.00 Maximum Allowed

<sup>2</sup> Per Penal Code 13300(E)

<sup>3</sup> Per Vehicle Code 2431

<sup>4</sup> Per Government Code 6253(b) and City Attorney

<sup>5</sup> Per Evidence Code 1563 (b) (1). Fees Apply only to Research/Archiving Pursuant to a Subpoena

<sup>6</sup> Per California DOJ fee structure, effective 1/1/99

<sup>7</sup> Fee Temporarily suspended due to new State Certification process.

<sup>8</sup> New State Certification Process

## City of Campbell ~ Police Department - Parking Citation Fees

<u>CMC</u>	<u>Description</u>	<u>FY 16</u> <u>Fine Amount</u>	<u>FY 17</u> <u>Fine Amount</u>
10.24.015	Stored on Street Over 72 Hours	\$ 70.00	\$ 70.00
10.24.040	No Parking or Stopping Signs/Permit Parking	40.00	40.00
10.24.065a	Disobeyed Curb Markings (Red/White; Yellow/Green)	40.00	40.00
10.24.095c	Limited Time Parking	40.00	40.00
10.24.135	Commercial Truck 10PM to 6AM	70.00	70.00
10.24.140	Parking Out of Marked Space	40.00	40.00
10.24.160	Removal of Markings	70.00	70.00
10.28.030a	Commercial Truck in Yard/Driveway	70.00	70.00
10.28.030b	Commercial Truck Over Two Hours (6AM to 10PM)	70.00	70.00
13.040.120	Parking After Hours City/County Parks	40.00	40.00

### VC

22500a	Parking Within an Intersection	40.00	40.00
22500e	Blocking Driveway	40.00	40.00
22500f	Parking on Sidewalk	40.00	40.00
22500.1	Fire Lane	40.00	40.00
22502a	Wrong Way/18" From Curb	40.00	40.00
22507.8a	Handicap Parking	300.00	300.00
22507.8b	Obstruct / Block Handicap Parking	300.00	300.00
22507.8c (2)	Crosshatch Lines Next to Handicap Stall	300.00	300.00
22514	Fire Hydrant	40.00	40.00
22521	Within 7 ½" of Railroad Tracks	40.00	40.00
22523 (A)	Abandoned Towed	70.00	70.00
40226	Handicap Dismissal	25.00	25.00
5204(a)	No current Registration Tags	70.00	70.00
5200	No Front/Rear Plate	40.00	40.00
4000(a) (1)	Expired Registration	70.00	70.00

- Delinquent Penalty Assessment - Double the Fine Amount

- All Other Parking Violation Fine Amounts Not Specifically Listed Will be \$40.00 \*

\* Revised as of August 4, 2009

**City of Campbell ~ Public Works Fees**

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Appeal Filing Fee (to City Council)	\$ 200.00	\$ 200.00
Appeal - Street Tree Removal (to Parks & Rec)	200.00	200.00
Assessment Segregation or Reapportionment		
A) First Split	877.00	895.00
B) Each Additional Lot	275.00	281.00
Certificate of Compliance	1,840.00	1,877.00
Certificate of Correction	550.00	561.00
Private Improvements in the Public Right of Way	50.00	50.00
Vacation of Public Streets / Easements and Irrevocable Offers to Dedicate	2,480.00	2,530.00
Lot Line Adjustment (Includes Cert of Compliance)	1,856.00	1,893.00
Electric Vehicle Charging Stations **	0.25 /kWh	0.25 /kWh
	in effect 24 hours / day	in effect 24 hours / day
Additional hourly rate, in effect 8 a.m. to 8 p.m., daily	0.30 /kWh	0.30 /kWh
Encroachment Permit Application Fees		
A) Encroachment Permits:		
1) Minor - Engineer's Estimate * < \$10,000	225.00	230.00
2) Major - Engineer's Estimate * ≥ \$10,000	395.00	403.00
B) R-1 Encroachment Permit ( <i>Owner Occupied, Engineer's Estimate* &lt; \$10,000, Limit One Per Property Per Two Years</i> )		
1) Initial R-1 Permit	No Charge	No Charge
2) Subsequent Permits Within Two Year Period	225.00	230.00
C) Utility Encroachment Permits	425.00	434.00
1) Arterial / Collector Streets		
2) Residential Streets / Other Areas		
3) Emergency Permits (additional charge)	120.00	122.00
D) Street Tree Planting / Removal Permits:	500.00	500.00
	(deposit)	(deposit)
E) Construction Dumpster Permit:	No Charge	No Charge
F) Storage Container Permit: (valid up to 60 days only)	160.00 /60 days	163.00 /60 days
G) Concrete Sidewalk Permit	No Charge	No Charge
Encroachment Permit Plan Check Deposit ( <i>To be refunded upon actual submittal of plans for review.</i> )	2% of Engineer's Estimate* (\$500 Minimum)	2% of Engineer's Estimate* (\$500 Minimum)
Encroachment Permit Plan Check, & Inspection Fees:		
A) Encroachment Permits:		
1) Engineer's Estimate - for first \$250,000	14% of Engineer's Estimate*	14% of Engineer's Estimate*
2) Engineer's Estimate - for next \$250,000	\$35,000 + 8% of Engineer's Estimate* > \$250,000	\$35,000 + 8% of Engineer's Estimate* > \$250,000
3) Additional Fees for Cost of Engineer's Estimate exceeding \$500,000	\$55,000 + 7% of Engineer's Estimate* > \$550,000	\$55,000 + 7% of Engineer's Estimate* > \$500,000

\*Engineer's cost estimate shall be approved by the City Engineer and shall include all items of work.

The construction cost shall be cumulative for each utility permit work related to a single project as determined by the City regardless of the number of permits issued.

## City of Campbell ~ Public Works Fees

<u>Fee Category</u>	<u>FY 16 Fee</u>	<u>FY 17 Fee</u>
Encroachment Permit Plan Check, & Inspection Fees (Continued):		
B) R-1 Encroachment Permits: Subsequent Permits within 2 years	No Additional Charge 14% of Engineer's Estimate*	No Additional Charge 14% of Engineer's Estimate*
C) Utility Encroachment Permits:		
1) Engineer's Estimate		
a) Minimum Charge Per Location	\$ 390.00	\$ 398.00
b) Conduits/Pipelines (per lineal foot of trench):		
1) Up to first 500 Linear Ft. of Trench	2.75 /Ft.	2.81 /Ft.
2) Portion Greater Than 500 Linear Ft.	1.65 /Ft.	1.68 /Ft.
c) Manholes/Vaults/Utility Structures/Concrete Pads (Excluding Pullboxes)	175.00 /Ea.	179.00 /Ea.
d) Pole Set or Removal (Permit Required)	175.00 /Ea.	179.00 /Ea.
D) Street Tree Planting / Removal	No Additional Charge	No Additional Charge
E) Construction Dumpster Permits	No Additional Charge	No Additional Charge
F) Storage Container Permits	No Additional Charge	No Additional Charge
G) Concrete Sidewalk Permits	No Additional Charge	No Additional Charge
<b><u>Encroachment Permit Securities</u></b>		
Faithful Performance Security	100% of Engineer's Estimate*	100% of Engineer's Estimate*
Labor & Materials Security	100% of Engineer's Estimate*	100% of Engineer's Estimate*
<b><u>Encroachment Permit Penalties</u></b>		
Failure to restore public improvements as required by standard specifications and permit within 24 hours of notice by the City Engineer (Municipal Code Section 11.34.010)	100.00/Calendar Day	100.00/Calendar Day
Failure to correct unsafe conditions or safety hazards within the public right-of-way immediately upon notice.	100.00/Calendar Day	100.00/Calendar Day
<b><u>Work Without Permits</u></b>		
Work within the public right-of-way initiated or completed without a valid permit shall be required to pay FOUR TIMES the applicable fee as set forth in the current Fee Schedule.	- min \$500	- min \$500

\*See footnote on previous page regarding Engineer's Estimates

**City of Campbell ~ Public Works Fees**

<b><u>Fee Category</u></b>	<b><u>FY 16 Fee</u></b>	<b><u>FY 17 Fee</u></b>
Engineering Maps and Plans		
A. Aerial Plot (24" x 36")	\$ 62.00	\$ 63.00
B. Aerial Print ( 8 1/2" x 11")	30.00	31.00
C. Map Research Fee (Includes maximum of 2 24" x 36" copies.)	30.00	31.00
D. Maps & Plans (24" x 36")	15.00	15.00
Final Map Fees		
A. Parcel Maps (4 Lots or Less)	3,930.00	4,009.00
Plus Each Lot	85.00	87.00
B. Tract Maps (5 or More Lots)	4,775.00	4,871.00
Plus Each Lot	116.00	118.00
Grading & Drainage Plan Review (Based on Gross Site Area)		
Single Family Lot	275.00	281.00
Site < 10,000 s.f.	825.00	841.00
Site ≥ 10,000 s.f. < .5 Acre	1,105.00	1,127.00
Site ≥ .5 Acre	1,655.00	1,688.00
NPDES Review / Inspection Fee (C3 Requirements)		
For projects not required to submit numeric sizing	160.00	163.00
For projects Required to submit numeric sizing		
Impervious Area 10,000 Sq. Ft. to 1 Acre*	690.00 *	704.00 *
Impervious Area over 1 Acre*	900.00 *	918.00 *
For projects sent to Consultant Review	Consultant Cost + 20%	Consultant Cost + 20%
Additional Treatment Facilities	300.00 /Ea	300.00 /Ea
Monumentation Deposit (Setting Monuments)	100% of City's Monumentation Estimate	100% of City's Monumentation Estimate
Notary Fee (Per Signature)	10.00 ***	10.00 ***
Project Plans & Specifications		
General Conditions, Standard Provisions & Details	1.00 /Page	1.00 /Page
General Conditions, Standard Provisions & Details	15.50 /Book	15.50 /Book
Storm Drain Area Fees		
A. R-1 Land Use	2,120.00	2,120.00
B. Multi-Family Residential Land Use	2,385.00 /Acre	2,385.00 /Acre
C. All Other Land Use	2,650.00 /Acre	2,650.00 /Acre
Roadway Maintenance Fee	0.3% of Building Permit Valuation	0.3% of Building Permit Valuation
Other Fees	Actual Cost	Actual Cost
Additional plan review fees may be assessed at actual cost should the project require additional services due to changes, additions or revisions to the plan.		
Approved Plan - Revision Fee	\$100 / Sheet	\$100 / Sheet
Changes to any approved construction plans		
Document Recording Fees	Actual Cost (\$15 / 1st pg. / \$3 for each add'l)	Actual Cost (\$15 / 1st pg. / \$3 for each add'l)
Traffic Engineering Services		
A. Traffic Flow Map	35.00	35.00
B. Signal Timing Information	73.00 /Hour	73.00 /Hour
Truck Permits (Per California Code of Regulations Section 1411.3)	16.00 /Per Trip	16.00 /Per Trip
No Parking Signs (Cost Per Sign or \$25.00/100 Signs)	1.00	1.00
Parking Permit Fee	30.00	30.00

\*For up to two treatment facilities

\*\*\*Governed by GC Section 8211 - Cannot charge more than prescribed fee of \$10

## City of Campbell ~ Public Works Fees

*Rate Structure for Private use of Equipment, Labor and Services - Rental Rates*

<u>Description</u>	<u>FY 16 Hourly Rate</u>	<u>FY 16 Daily Rate</u>	<u>FY 17 Hourly Rate</u>	<u>FY 17 Daily Rate</u>
Barricades / Each	--	\$ 3.00	--	\$ 3.00
Barricades with Lights / Each	--	3.50	--	3.50
Brush Chipper (1-Hour Minimum)	\$ 88.00	218.00	\$ 88.00	\$ 218.00
Bucket Truck (1-Hour Minimum)	86.50	176.00	86.50	176.00
Case Loader W18B (1-Hour Minimum)	159.00	282.00	159.00	282.00
Chain Saw (\$15.00 Minimum)	9.50	57.00	9.50	57.00
Compressors with Tools (1-Hour Minimum)	94.00	135.00	94.00	135.00
Concrete Saw (1-Hour Minimum - Daily Rate Add Cost of Blades)	31.00	65.00	31.00	65.00
Dump Trucks, 5 Cyl (1-Hour Minimum)	75.00	150.00	75.00	150.00
Flatbed, 3/4 Ton	*	125.00	*	125.00
Forklift (1-Hour Minimum)	31.00	119.00	31.00	119.00
Line Striper (1-Hour Minimum - Daily Rate Add Materials)	95.00	190.00	95.00	190.00
Loader, 3-5 Ton (1-Hour Minimum)	95.00	207.00	95.00	207.00
Paint Truck (1-Hour Minimum)	75.00	150.00	75.00	150.00
Pick-Ups (1-Hour Minimum)	64.00	125.00	64.00	125.00
Programmable Message Board	*	80.00	*	80.00
Sweepers (Minimum - \$130.00)	82.00	**	82.00	**
Welder, Arc 300 Amp (1-Hour Minimum - Daily Rate Add Materials)	45.00	90.00	45.00	90.00

Additional equipment which must be rented by the City shall be billed at the City's actual cost plus an additional twenty percent (20%) of that cost to cover administrative expenses.

\* Available on a daily rate only.

\*\* Available on an hourly rate only.

## City of Campbell ~ Public Works Fees

*For services rendered from time of mobilization until time secured, including salary, benefits and City wide indirect.*

<u>Position</u>	<u>FY 16 Hourly Rate</u>	<u>FY 16 Overtime Rate*</u>	<u>FY 17 Hourly Rate</u>	<u>FY 17 Overtime Rate*</u>
Assistant Engineer	\$ 145.65	\$ 189.35	\$ 148.57	\$ 193.14
Associate Civil Engineer	162.18	202.15	165.42	206.20
City Engineer	207.88	256.30	212.04	N/A
Executive Assistant	110.39	140.68	112.59	143.50
Facilities Maintenance Manager	157.08	197.89	160.22	N/A
Lighting & Traffic Technician	125.67	163.37	128.18	166.64
Lighting & Traffic Signals Supervisor	147.11	191.24	150.05	195.06
Mechanic I	122.36	159.07	124.81	162.25
Mechanic II	128.49	167.04	131.06	170.38
Building Maintenance Lead Worker	107.62	161.44	109.78	164.67
Building Maintenance Worker	99.36	149.03	101.34	152.01
Vehicle & Equip. Main. Supervisor	125.78	188.67	128.30	192.45
Office Assistant	94.50	121.80	96.39	124.24
Office Specialist	101.67	132.17	103.70	134.81
Park Maintenance Lead Worker	116.84	151.89	119.18	154.93
Park Maintenance Supervisor	149.08	193.81	152.07	197.69
Park Maintenance Worker I	108.21	140.67	110.37	143.48
Park Maintenance Worker II	113.61	147.69	115.88	150.65
Public Works Inspector	140.92	183.20	143.74	186.86
Public Works Inspector, Senior	149.36	194.17	152.35	198.05
Public Works Superintendent	175.76	175.76	179.28	N/A
Senior Civil Engineer	188.53	245.08	192.30	N/A
Street Maintenance Field Supervisor	134.40	171.15	137.09	174.57
Street Maintenance Lead Worker	119.11	154.84	121.49	157.94
Street Maintenance Worker I	110.31	143.40	112.51	146.27
Street Maintenance Worker II	115.82	150.56	118.13	153.57
Traffic Engineer	186.51	242.46	190.24	N/A

\* Three Hour Minimum for Overtime Call

# City of Campbell - Recreation & Community Services Fees

## COMMUNITY CENTER BUILDING USE FEES

### Community Center Building Use Fee Schedule

#### A. Definition of Terms

- a. **FREE EVENT:** Any event for which it is free or open to the public. No charge for admission or attendance for the event. No charge for vendors to attend or participate.
- b. **ENTRANCE/ADMISSION FEE:** Any event for which there is a charge or fee to enter/participate or a fee to attend the event. Any fees collected from vendors or participants will constitute as a fee and will incur the associated rental fees.
- c. **NON-PROFIT:** To qualify for non-profit rates, customers must provide a copy of their letter of non-profit status from the California Secretary of State's office with their non-profit ID number indicated and must pay with an organization check or charge card. Organization name on letter of non-profit status, check/charge card, and permit must all be in the same name
- d. **SPECIAL PEAK RATES:** Special peak rates are for the following reservations:
  - i. Public meetings held by elected representatives serving the Campbell area
  - ii. Local election candidate forums sponsored by a non-profit organization, polling and/or trainings offered by the local Registrar of voters
  - iii. Meetings offered by either of the Campbell school districts (CUHSD and CUSD)
  - iv. Public meetings by other governmental agencies that serve Campbell residents
  - v. Events by non-profit organizations who have assumed leadership for events once provided by the City
  - vi. Programs and activities for which there is no entry fee for participation or attendance offered by local non-profit organizations
  - vii. Community Center Tenants
  - viii. Events sponsored by/for Campbell High School Alumni groups
  - ix. Meetings or trainings by school districts or other governmental agencies that are not open to the public

***The above listed reservations can use the facility during non-peak time with basic staffing levels (2 building attendants or 1 technician) any charges above this will be assessed at the time of booking. The CUSD & CUHSD are limited to 3 uses per year.***

- e. **CAMPBELL RESIDENT:** To qualify for Campbell Resident discount, customers must provide proof of residency (i.e. driver's license, utility bill etc.). Permit holder and payee must be in the same name to qualify for resident discount.

- B. **Resident Discount:** Campbell Residents paying for a rental will be given a \$5/hour discount on all building rental rates with the exception of the full Orchard City Banquet Hall which is a \$25/hour discount.

**C. Facility rental fees for uses occurring during off-peak (normal operating) hours (Monday through Thursday, 8:00am – 10:00pm and Fridays 8:00am to 5:00pm, except on recognized City holidays) are as follows:**

	FREE EVENT			ENTRANCE / ADMISSION FEE	
	Private Individual	Non-Profit	For Profit Org.	Private Individual / For Profit Org.	Non-Profit
Orchard City Banquet Hall w/kitchen	\$130 hr	\$110 hr	\$170 hr	\$170 hr	\$130 hr
Orchard City Banquet Hall (North or South)	\$80 hr	\$55 hr	\$90 hr	\$90 hr	\$80 hr
Kitchen in OCBH	\$55 hr	\$50 hr	\$60 hr	\$60 hr	\$55 hr
Roosevelt Rm. (Q-80)	\$75 hr	\$50 hr	\$85 hr	\$85 hr	\$75 hr
Mary Campbell (Q-84)	\$55 hr	\$40 hr	\$65 hr	\$65 hr	\$55 hr
Multi-Purpose (M-50)	\$70 hr	\$45 hr	\$80 hr	\$80 hr	\$70 hr
Adult Ctr. Meeting Rm. (C-35)	\$60 hr	\$40 hr	\$70 hr	\$70 hr	\$60 hr
Dance Studio (M-47)	\$50 hr	\$45 hr	\$55 hr	\$55 hr	\$50 hr
Activity Rms. (E-46)	\$45 hr	\$35 hr	\$55 hr	\$55 hr	\$45 hr
Board Rm. (E-42)	\$45 hr	\$35 hr	\$55 hr	\$55 hr	\$45 hr
Pre-School Room (M-49)	\$80 hr	\$50 hr	\$70 hr	\$70 hr	\$80 hr
Computer Room (H-74)	\$95 hr	\$85 hr	\$110 hr	\$110 hr	\$95 hr
Main Gym (Bldg. P)	\$60 hr	\$50 hr	\$70 hr	\$70 hr	\$60 hr
Auxiliary Gym (Bldg. N)	\$55 hr	\$45 hr	\$65 hr	\$65 hr	\$55 hr
CCC Plaza	\$40 hr	\$35 hr	\$45 hr	\$45 hr	\$40 hr

**D. Facility rental fees for uses occurring during peak (NON-OPERATING) hours shall be assessed as follows:**

	Special Peak Rates	FREE EVENT			ENTRANCE / ADMISSION FEE	
		Private Individual	Non-Profit	For Profit Org.	Private Individual / For Profit Org.	Non-Profit
Orchard City Banquet Hall w/kitchen	\$75 hr	\$240 hr	\$190 hr	\$250 hr	\$250 hr	\$240 hr
Orchard City Banquet Hall (North or South)	N/A	N/A	N/A	N/A	N/A	N/A
Kitchen in OCBH	N/A	\$60 hr	\$55 hr	\$85 hr	\$85 hr	\$60 hr
Roosevelt Rm. (Q-80)	\$40 hr	\$105 hr	\$75 hr	\$130 hr	\$130 hr	\$105 hr
Mary Campbell (Q-84)	\$35 hr	\$75 hr	\$55 hr	\$85 hr	\$85 hr	\$75 hr
Multi-Purpose (M-50)	\$35 hr	\$100 hr	\$70 hr	\$110 hr	\$110 hr	\$100 hr
Adult Ctr. Meeting Rm. (C-35)	\$35 hr	\$85 hr	\$60 hr	\$100 hr	\$100 hr	\$85 hr
Dance Studio (M-47)	N/A	\$65 hr	\$55 hr	\$70 hr	\$70 hr	\$65 hr
Activity Rms. (E-46)	\$30 hr	\$70 hr	\$50 hr	\$80 hr	\$80 hr	\$70 hr
Board Rm. (E-42)	\$30 hr	\$70 hr	\$50 hr	\$80 hr	\$80 hr	\$70 hr
Computer Room (H-74)	N/A	\$110 hr	\$100 hr	\$120 hr	\$120 hr	\$110 hr
Main Gym (Bldg. P)	\$30 hr	\$70 hr	\$55 hr	\$85 hr	\$85 hr	\$70 hr
Auxiliary Gym (Bldg. N)	\$30 hr	\$65 hr	\$50 hr	\$75 hr	\$75 hr	\$65 hr
CCC Plaza	\$35 hr	\$50 hr	\$45 hr	\$55 hr	\$55 hr	\$50 hr

# City of Campbell - Recreation & Community Services Fees

## Community Center Building Use Fees

### I. EQUIPMENT RENTAL & FEES

#### Meeting Room Equipment

	<u>FY 15/16</u>	<u>FY 16/17</u>
a) Coffee Urn -- 100 Cup	\$10.00/day	\$10.00/day
b) Coffee Urn -- 35 Cup	5.00/day	5.00/day
c) Directional Sandwich Signs	(Free with Room Rental)	(Free with Room Rental)
d) LCD Projector	100.00/day	100.00/day
e) Podium	(Free with Room Rental)	(Free with Room Rental)
f) Portable Dance Floor (15' x 15')	125.00/day	125.00/day
g) Portable Easel ( <i>Each Easel</i> )	5.00/day	5.00/day
h) Portable Easel with Easel Pads ( <i>Each Easel</i> )	25.00/day	25.00/day
i) Portable Projection Screen	10.00/day	10.00/day
j) Portable PA Systems	50.00/day	50.00/day
k) Stanchions	25.00/day	25.00/day
l) TV & DVD/VCR on Cart	25.00/day	25.00/day
m) Microphone	10.00/day	10.00/day

#### Athletic Equipment

	<u>FY 15/16</u>	<u>FY 16/17</u>
a) Basketball Scoreboard Control	10.00/day	10.00/day
b) Football Scoreboard Control	10.00/day	10.00/day

### J. PROCESSING FEES

1. All applications are subject to a non-refundable \$25 Processing Fee.
2. Any changes in time, date(s) or use made to a multi-use permit, or made less than thirty (30) days prior to a one-time use, are subject to an additional \$25 Processing Fee.

### K. ADDITIONAL CHARGES

1. Uses which extend beyond the approved reserved time will be charged at 1½ times the normal rental rate.
2. Uses which extend beyond 12:00 midnight will be charged at two (2) times the normal rental rate.
3. Reservations for recognized City holidays are subject to additional fees to cover staff holiday pay (1½ times the normal rental rate), when staff can be obtained to take the assignment.
4. An IT Service Fee of \$50 will be charged for any requests to verify availability of Wi-Fi in rooms Q-80 or Q-84 for classroom or training use purposes.

# City of Campbell - Recreation & Community Services Fees

## Community Center Building Use Fees

### L. DEPOSITS

	<u>FY 15/16</u>	<u>FY 16/17</u>
a) Uses of Orchard City Banquet Hall	\$500.00	\$500.00
b) Uses of Roosevelt Room (Q-80) & Multi-Purpose Room (M-50)	\$300.00	\$300.00
c) Computer Room (H-74)	\$500.00	\$500.00
d) Uses of Activity or Meeting Rooms	\$100.00	\$100.00
e) Uses of Gymnasiums	\$100.00	\$100.00
f) Plaza	\$100.00	\$100.00

# City of Campbell - Recreation & Community Services Fees

## Ainsley House / Museum Fee Schedules

### A. GROUNDS

	<u>FY 15/16</u>	<u>FY 16/17</u>
Application Fee	\$ 25.00	\$ 25.00
Security Deposit	500.00	500.00
Grounds Rental (First 8 Hours)		
- Receptions, Teas, Events	1,875.00	1,875.00
- Saturday Premium	2,075.00	2,075.00
(\$200/hour for each additional hour.)		
Grounds Rental		
- Wedding Ceremony Only		
(Three Hour Maximum - No Food or Beverages)		
Friday & Sunday	925.00/Flat Rate	925.00/Flat Rate
Saturday	1,225.00/Flat Rate	1,225.00/Flat Rate
- Wedding & Reception (10 Hours)		
Friday & Sunday	2,375.00/Flat Rate	2,375.00/Flat Rate
Saturday	2,625.00/Flat Rate	2,625.00/Flat Rate
Fund Raising Groups & Commercial Filming	50% Surcharge 750.00/4 Hours	50% Surcharge 750.00/4 Hours
	(\$175/hour for each additional hour)	
Non-Commercial Photography	100.00/Hour	100.00/Hour

10% Discount for Campbell Residents

### B. TOUR FEES - AINSLEY HOUSE

	<u>FY 15/16</u>	<u>FY 16/17</u>
Adults	\$ 8.00	\$ 8.00
Seniors	6.00	6.00
Youth (7 - 17)	4.00	4.00
Children (Under 7)	Free	Free
Members	Free	Free
<u>Holidays Only</u> (11/15 – 12/20):		
Adults	10.00	10.00
Seniors	8.00	8.00
Youth	6.00	6.00

### C. GROUP TOURS - Ainsley House

	<u>FY 15/16</u>	<u>FY 16/17</u>
<u>Groups (10 or More)</u>		
Adults	\$ 5.00	\$ 5.00
Seniors	5.00	5.00
Youth (7 - 17)	5.00	5.00
Children (Under 7)	Free	Free

# City of Campbell - Recreation & Community Services Fees

## Ainsley House / Museum Fee Schedules

### **D. ADMISSION FEES – Historical Museum**

	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
	<u>Museum Ticket</u>		<u>Combined Ticket*</u>	
Adults	\$2.00	\$2.00	\$9.00	\$9.00
Seniors	2.00	2.00	7.00	7.00
Youth (7 - 17)	2.00	2.00	5.00	5.00
Children (Under 7)	Free	Free	Free	Free
Members	Free	Free	Free	Free

\*Combined Ticket = Ainsley House/Historical Museum

### **E. SCHOOL PROGRAM – Historical Museum & Ainsley House**

	<u>FY 15/16</u>	<u>FY 16/17</u>
Minimum for classes of up to 20 students	\$120.00	\$120.00
Each additional student	6.00	6.00
Chaperones	Free	Free

### **OHLONE RENTAL PROGRAM**

	<u>FY 15/16</u>	<u>FY 16/17</u>
Educational Trunk Rental	\$60.00/month	\$60.00/month

### **F. MUSEUM STAFF RESEARCH – Research of archival records and photographs:**

#### **Personal Use**

Photocopies: \$0.25 for 8.5x11; \$0.50 for 8.5x14; \$1.00 for 11x17  
 Digital images: \$20 per new scan; \$10 per image of existing scans.  
 Scanning and printing on photo paper: We do not provide this service.

#### **Commercial Use**

For one-time use. Fees are per image.  
 Use in a book: \$150 for-profit entity; \$35 non-profit organization  
 Editorial use (magazine or non-scholarly journal): \$75 for-profit entity; \$25 non-profit organization.  
 Scholarly publication: \$10  
 Advertising (non-editorial, book covers, flyer/brochure/art work in a place of business, etc.): \$150 for-profit entity; \$35 non-profit organization.  
 Video/TV/Film/DVD: \$150 for-profit entity; \$35 non-profit organization.  
 Exhibition: \$100 for-profit entity; \$25 non-profit organization.  
 Internet/website: \$100 for profit entity; \$25 non-profit organization.

#### **Other Fees (personal and commercial)**

Creating a CD of scanned photographs/documents: \$5.  
 Shipping: \$5.  
 Staff research time (applies to research only): \$30/hour, minimum charge \$15.

# City of Campbell - Recreation & Community Services Fees

## Picnic Areas & Facilities

All reservations are subject to a non-refundable \$25.00 processing fee in addition to the fees below.

### **A. Picnic Areas & Facilities – CAMPBELL RESIDENTS**

<u>FACILITY</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
<b><u>John D. Morgan Park</u></b>		
Area A (50 Persons Maximum)	\$ 50.00/day	\$ 50.00/day
Area B (150 Persons Maximum)	80.00/day	80.00/day
Area C (75 Persons Maximum)	50.00/day	50.00/day
<b><u>Edith Morley Park</u></b>		
Picnic Area (35 Persons Maximum)	50.00	50.00
Picnic Area & Turf (100 Persons Maximum)	65.00	65.00

### **B. Picnic Areas & Facilities - NON-RESIDENTS**

<u>FACILITY</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
<b><u>John D. Morgan Park</u></b>		
Area A (50 Persons Maximum)	\$ 95.00/day	\$ 95.00/day
Area B (150 Persons Maximum)	160.00/day	160.00/day
Area C (75 Persons Maximum)	95.00/day	95.00/day
<b><u>Edith Morley Park</u></b>		
Picnic Area (35 Persons Maximum)	\$ 80.00/day	\$ 80.00/day
Picnic Area & Turf (100 Persons Maximum)	160.00/day	160.00/day

# City of Campbell - Recreation & Community Services Fees

## Park Facility Fee Schedule

### A. Definition of Terms

- a. **FREE EVENT:** Any event for which it is free or open to the public. No charge for admission or attendance for the event. No charge for vendors to attend or participate.
- b. **ENTRANCE/ADMISSION FEE:** Any event for which there is a charge or fee to enter/participate or a fee to attend the event. Any fees collected from vendors or participants will constitute as a fee and will incur the associated rental fees.
- c. **NON-PROFIT:** To qualify for non-profit rates, customers must provide a copy of their letter of non-profit status from the California Secretary of State's office with their non-profit ID number indicated and must pay with an organization check or charge card. Organization name on letter of non-profit status, check/charge card, and permit must all be in the same name
- d. **RYSO:** RYSO stands for Resident Youth Sports Organization where 51% of participants are Campbell Residents and the organization is validated and approved by the Park and Recreation Commission

### B. Processing Fees & Deposits

- a. All reservations are subject to a \$25 non-refundable processing fee in addition to park fees and deposits.
- b. \$100 deposit per field
- c. \$500 deposit per site
  - i. For special events over 100 participants
  - ii. Sports Leagues
  - iii. RYSO groups

### C. Schedule of Fees

	FREE EVENT			ENTRANCE / ADMISSION FEE		
	Private Individual	Non-Profit	For Profit Org.	Private Individual / For Profit Org.	Non-Profit	RYSO
John D. Morgan Park Soccer Bowl	\$30 hr	\$25 hr	\$45 hr	\$45 hr	\$30 hr	\$1 hr
John D. Morgan Park Athletic Field	\$20 hr	\$15 hr	\$35 hr	\$35 hr	\$20 hr	\$1 hr
Community Center Stadium Field	\$50 hr	\$25 hr	\$70 hr	\$70 hr	\$50 hr	\$1 hr
Community Center Stadium Track	\$20 hr	\$15 hr	\$35 hr	\$35 hr	\$20 hr	N/A
Community Center Athletic Field	\$20 hr	\$15 hr	\$35 hr	\$35 hr	\$20 hr	\$1 hr
Community Center Concession Stand	\$40 hr	\$30 hr	\$55 hr	\$55 hr	\$40 hr	N/A
Tennis Court (JDM)	\$25 hr	\$14 hr	\$30 hr	\$30 hr	\$25 hr	N/A
Handball Court (CCC)	\$25 hr	\$14 hr	\$30 hr	\$30 hr	\$25 hr	N/A
Sand Volleyball Court (JDM)	\$17 hr	\$14 hr	\$30 hr	\$30 hr	\$17 hr	N/A
Horseshoe Pit (JDM)	\$10 hr	\$6 hr	\$12 hr	\$12 hr	\$10 hr	N/A
Los Gatos Creek Trail Special Events*	\$630/use	\$315/use	\$1,050/use	\$1,050/use	\$630/use	N/A
Orchard City Green Special Events*	N/A	\$25 hr	N/A	N/A	\$50 hr	N/A
Non-Exclusive Use Permit (Under 10 People)	\$15 hr	N/A	\$20 hr	\$20 hr	\$15 hr	N/A
Non-Exclusive Use Permit (10-20 People)	\$20 hr	N/A	\$25 hr	\$25 hr	\$20 hr	N/A
Non-Exclusive Use Permit (21-99 People)	\$25 hr	N/A	\$30 hr	\$30 hr	\$25 hr	N/A

\*All special events located on the LG Creek Trail and Orchard City Green are subject to any and all additional fees associated with the Special Event Policy.

# City of Campbell - Recreation & Community Services Fees

## D. Special Events in Parks

Note: Not all fees are applicable to all events. This table summarizes special event fees that may be due in excess of any facility use fees applicable for the nature, size and location of the proposed event.

	<u>FY 15/16</u>	<u>FY 16/17</u>
Administrative Review Fee	\$ - 0 -	\$ - 0 -
Application Fee	25.00	25.00
Handball Tournament – All-Day Court Rental	250.00/day	250.00/day
Event Day Staff Support:		
Recreation	34.00/hour	34.00/hour
Others	Per the PW / PD fee Schedule	Per the PW / PD fee Schedule
Facility Use Fee	Per the Facility Use Policy	Per the Facility Use Policy
Security/Clean-Up Deposit	500.00	500.00
Park Special Event Fee	630.00/day	630.00/day
Special Event Permit – Alcohol Served	*	*
Street Closure Fee	*	*

**City of Campbell - Recreation & Community Services Fees**  
*Schedule of Fees and Charges for Use of the Heritage Theatre*

**A. Theatre Rates for Non-Peak Days (Monday – Wednesday):**

	<u>FY 15/16</u>	<u>FY 16/17</u>
Base Rent (Up to an 8-Hour Period on One Day)	\$ 550.00 /day	\$ 550.00 /day
Additional Time (On the Same Event Day)	125.00 /hour	125.00 /hour
Rehearsal Time (Up to an 8-Hour Period on One Day)	375.00 /day	375.00 /day
Additional Rehearsal Time (On the Same Day)	125.00 /hour	125.00 /hour
Standard Sound Equipment (Up to Two Microphones)	No Charge	No Charge
Full Sound Equipment (Full Use of Sound System)	125.00 /day	125.00 /day
Minimum Lighting Equipment (Stage Wash Only)	125.00 /day	125.00 /day
Maximum Lighting Equipment (Entire System)	400.00 /day	400.00 /day

**B. Theatre Rates for Peak Days (Thursday – Sunday):**

	<u>FY 15/16</u>	<u>FY 16/17</u>
Base Rent (Up to an 8-Hour Period on One Day)	\$ 800.00 /day	\$ 800.00 /day
Additional Time (On the Same Event Day)	125.00 /hour	125.00 /hour
Rehearsal Time (Up to an 8-Hour Period on One Day)	500.00 /day	500.00 /day
Additional Rehearsal Time (On the Same Day)	125.00 /hour	125.00 /hour
Standard Sound Equipment (Up to Two Microphones)	No Charge	No Charge
Full Sound Equipment (Full Use of Sound System)	200.00 /day	200.00 /day
Minimum Lighting Equipment (Stage Wash Only)	175.00 /day	175.00 /day
Maximum Lighting Equipment (Entire System)	475.00 /day	475.00 /day

**C. For events that are designed to be profitable,** rental fees shall be ten percent (10%) of gross ticket sales vs. the base rent (whichever is higher). Exceptions to this policy will be made for Primary Partners and fund-raising events hosted by local non-profit organizations with ticket prices greatly exceeding the normal market rates (i.e. \$100 benefit performance tickets). In those cases, the 10% shall be computed based on the market rate of the tickets, as determined by the Theatre Manager.

**D. The Theatre may be rented to approved “Primary Partner” clients** at special reduced rates negotiated individually and subject to the review and approval of the City Council.

**E. Late Booking Fee** – a late booking fee will be assessed for any event booked less than 30 days in advance. The late booking fee is 10% of estimated rental charges (minus deposit) or \$300 flat, whichever is higher.

# City of Campbell - Recreation & Community Services Fees

## Schedule of Fees and Charges for Use of the Heritage Theatre

**F. Fees for Additional Services will be charged as follows:**

<u>Description</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Box Office Fee	\$ 575.00/contract	\$ 575.00/contract
Labor (all billed at 4-hour minimum)*		
Production Manager /Technical Director	40.00/hour	45.00/hour
Technical Staff	30.00/hour	30.00/hour
Stagehand	25.00/hour	25.00/hour
House/Event Staff	25.00/hour	30.00/hour
Lighting System	(See Peak Day Rates Above)	(See Peak Day Rates Above)
Janitorial Fee – Rehearsal	100.00/hour	100.00/day
Janitorial Fee – Performance	150.00/hour	150.00/day
Janitorial Fee for food/beverage	250.00/day	250.00/day
Marley Floor Rental	125.00/+ labor	125.00/+ labor
Marquee Sign Postings	33.00/week	33.00/week
Marquee Sign Postings	15.00/change	15.00/change
Piano Rental Fee	100.00/day	100.00/day
Piano Rental Fee (Primary Partners)	50.00/day	50.00/day
Piano Tuning Fee	150.00/tuning	150.00/tuning
Piano Tuning Fee (Primary Partners)	75.00/tuning **	75.00/tuning **
Sound System	(See Peak Day Rates Above)	(See Peak Day Rates Above)
Special Box Office Requests	200.00/request	200.00/request
Spotlights	100.00/day	100.00/day
Ticket Printing	0.30/ticket	0.30/ticket
Theatre Facility Fee	2.00/person	2.00/person
Preservation & Enhancement Fee	- 0 -	- 0 -
Processing Fee for Permit Changes	30.00/change	30.00/change
Theatre Tours (Regular Operating Hours)	60.00/hour	60.00/hour
Theatre Tours (Non-Operating Hours)	150.00/hour	150.00/hour
Video Projector & Screen	400.00/day	400.00/day

\*Overtime applies after 8 hours and double overtime applies after 12 hours.

\*\* When tuning can be scheduled & performed by Dan Naylor.

- G. Premium Wi-Fi** - The Heritage Theatre has an open Wi-Fi connection that is available to anyone within the Theatre or its surrounding area. A **Premium Wi-Fi** connection with considerable more speed and bandwidth is available to renters for a fee of \$100/day.
- H. Indoor Marquee Sign Postings** – The Heritage Theatre has an electronic marquee in the lobby which is available for custom images, schedules, or information pertaining to events. Art/images that are ready for immediate upload and meet the specifications set out by the Theatre Manager are \$50/day. Any artwork or image that must be developed by Theatre Staff is \$50/day plus \$40/hour for the Production Manager to develop the image with a one hour minimum fee.
- I. Events that do not meet the criteria above**, for which can't be anticipated at this time, staff shall have the authority to charge appropriate and warranted fees at rates higher than those stated above, subject to the approval of the Recreation and Community Services Director.

# City of Campbell - Recreation & Community Services Fees

## Schedule of Fees and Charges for Use of the Heritage Theatre

<b>J.</b>	<b><u>Refundable Deposit</u></b>	<b><u>FY 15/16</u></b>	<b><u>FY 16/17</u></b>
	Deposit Fee	\$500.00 /Date of Use	\$500.00 /Date of Use
<b>K.</b>	<b><u>Theatre Garden Courtyard</u></b>	<b><u>FY 15/16</u></b>	<b><u>FY 16/17</u></b>
	Application Fee	\$30.00/contract	\$30.00/contract
	Refundable Security Deposit	200.00/contract	200.00/contract
	When rented Independent of Theatre	400.00/1 <sup>st</sup> 4-Hours	400.00/1 <sup>st</sup> 4-Hours
	Additional Hours	75.00/hour	75.00/hour
<b>L.</b>	<b><u>Theatre/Courtyard Photography Rates</u></b>	<b><u>FY 15/16</u></b>	<b><u>FY 16/17</u></b>
	Non-Refundable Processing Fee	\$25.00/contract	\$25.00/contract
	Non-Commercial Photography	100.00/hour	100.00/hour
	Commercial Photography	150.00/hour	150.00/hour



# *City Council Report*

Item: 10.  
Category: Public Hearing  
Date: April 19, 2016

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**TITLE:** Public Hearing and Introduction of an Ordinance Amending Provisions of the Campbell Municipal Code to Revise the Business License Tax Rates (Introduction of Ordinance / Roll Call Vote)

## **RECOMMENDATION**

It is recommended that the City Council take a first reading of the attached Ordinance amending provisions of the Municipal Code to revise business license tax rates.

## **BACKGROUND**

As part of Measure M approved by the voters in November 2010, the Campbell Municipal Code, Section 5.01.170, was amended to provide that the City Council may, by ordinance, increase the amount of any tax set forth in this title by no more than two percent per year to account for inflation.

On April 19, 2016 the City Council is expected to approve a revised Schedule of Fees and Charges for the 2016-17 Fiscal Year for fees other than the Business License Tax.

## **DISCUSSION**

The process for implementing the amended Business License Tax Rates requires a first and second reading of the proposed ordinance. If the first reading is approved, the second reading will be presented at the May 3<sup>rd</sup>, Council meeting, and if approved, the amended rates will become effective on July 1, 2016.

Ordinance 2132 includes a provision that allows the new Business License Tax rates to be increased by ordinance in an amount not to exceed 2% on an annual basis, subject to Council approval. Staff is recommending increasing the existing Business License Tax rate schedule by the 2% factor. Exceptions include the sub-category per-unit fees for Apartments, Mobile Home Parks, Hotels, and Retirement Inns which result in fractional amounts. The rental dispute fee is a pass-through collection that goes to Project Sentinel for landlord-tenant mediation services during the fiscal year. It will remain unchanged.

Attachment 2 is the updated comparative schedule of fees reflecting these changes.

## FISCAL IMPACT

The fiscal impact of approving the proposed Ordinance will be an estimated increase in General Fund revenue of \$14,000 next fiscal year.

## ALTERNATIVES

1. Do not approve an increase in business license fees.
2. Provide other direction to staff.

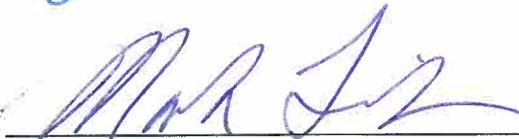
Prepared by:

  
Sharif Etnan, Finance Manager

Reviewed by:

  
Jesse Takahashi, Finance Director

Approved by:

  
Mark Linder, City Manager

Attachment 1 – Amended Business License Tax Ordinance

Attachment 2 – Comparative Fee Schedule

**ORDINANCE NO. \_\_\_\_\_**

**BEING AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF CAMPBELL AMENDING PROVISIONS OF THE CAMPBELL  
MUNICIPAL CODE TO REVISE BUSINESS LICENSE TAX RATES**

WHEREAS, pursuant to section 5.01.170 of the Campbell Municipal Code, as approved by the voters as part of Measure M, the City Council may by ordinance increase the amount of any tax set forth in this title by no more than two percent per year to account for inflation;

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

**SECTION ONE:** Section 5.04.010 of the Campbell Municipal Code is amended to read as follows:

**5.04.010 - Designated.**

Every person conducting businesses, professions and activities in the city, the primary nature of which is indicated in the following schedule, shall annually pay the license tax set opposite the same, based upon the average number of employees in such business, according to the following schedules, unless such business is otherwise specifically taxed by other provisions of this chapter:

<b>Commercial:</b>		
(Schedule I)	1 to 5 employees	\$120.00
	6 to 15 employees	191.50
	16 to 50 employees	275.00
	51+ employees	550.00
<b>Industrial and manufacturing:</b>		
(Schedule II)	1 to 5 employees	\$120.00
	6 to 50 employees	191.50
	51 + employees	330.50
<b>Professional:</b>		
(Schedule III)	1 to 3 employees	\$120.00
	4 to 10 employees	220.00
	11 to 50 employees	385.50
	51+ employees	550.00
<b>Hotels:</b>	\$162.00 per year plus \$3.00/room	
<b>Live commercial entertainment:</b>		\$330.00

Massage Establishment:	1 to 3 employees	\$120.00
	4 or more employees	\$220.00
Massage therapist:	\$120.00	
Mobile home parks and trailer courts:	\$220.00 per year plus \$2/unit	
Out-of-town business:	\$96.50	
Rental or income producing residences located on single or contiguous parcels of land:	\$65.00 per year for the first unit plus \$3.00 for each additional unit.	
(Owners occupying one unit of a 3 or more unit building are entitled to a \$3.00 exemption if said owner files an affidavit with the City claiming the exemption.)		
Taxicab or limousine service:	\$120.00 per year plus \$21.00 per vehicle	
Theaters:	\$440.50	
Solicitors:	\$330.00 per year	

**SECTION TWO:** Subsection (5) of Section 5.08.010 of the Campbell Municipal Code is hereby amended to read:

(5) Festival, fair or carnival, first day .....330.00  
Each additional day, per day .....104.00

**SECTION THREE:** Subsection (8) of Section 5.08.010 of the Campbell Municipal Code is hereby amended to read: "(8) Hypnotism, per year ....440.50;"

**SECTION FOUR:** Subsection (10) of Section 5.08.010 of the Campbell Municipal Code is hereby amended to read:

(10) Occult science, including astrology, palmistry, phrenology, life reading, fortunetelling, cartomancy, clairvoyance, crystal gazing, mediumship, prophecy, augury, divination, magic or necromancy, when the person who conducts same demands or receives a fee for the exercise or exhibition of his art therein either directly or indirectly or as a gift or donation, or charges admission, per year .....330.00

**SECTION FIVE:** Subsection (11) of Section 5.08.010 of the Campbell Municipal Code is hereby amended to read: "(11) Pawnbroker, per year .....330.00;"

**SECTION SIX:** Subsection (13) of Section 5.08.010 of the Campbell Municipal Code is hereby amended to read: "(13) Billiard and/or pool room, per year .....220.00;"

**SECTION EIGHT:** Section 5.08.080 is hereby amended to read:

**5.08.080 Amusement devices.**

Every person commencing or carrying on the business of rental, lease or operation of amusement devices or vending machines within the city shall pay to the city an annual license fee in the amount set forth in the following schedule:

<u>Number of Machines</u>	<u>Fee</u>
1 - 5	\$ 96.50
6 - 10	191.50
11 - 50	330.00
51+	550.50

**SECTION NINE:** This Ordinance shall become effective (30) days following its passage and adoption and shall be published once within fifteen (15) days upon passage and adoption in the Campbell Express, a newspaper of general circulation in the City of Campbell, County of Santa Clara.

**PASSED AND ADOPTED** this    day of    , 2016 by the following roll call vote:

AYES    : Councilmembers:

NOES    : Councilmembers:

ABSENT : Councilmembers:

ABSTAIN: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

**City of Campbell ~ Business License Taxes**

<u>Fee Category</u>		<u>Current FY16**</u>	<u>Proposed FY17**</u>
<b><u>BUSINESS CLASSIFICATION**/**</u></b>			
Out of Town		\$ 95.00	\$ 96.50
Industrial	1 to 5 Employees	\$ 118.00	\$ 120.00
	6 to 50 Employees	\$ 188.00	\$ 191.50
	51 or more Employees	\$ 324.00	\$ 330.00
Commercial	1 to 5 Employees	\$ 118.00	\$ 120.00
	6 to 15 Employees	\$ 188.00	\$ 191.50
	16 to 50 Employees	\$ 270.00	\$ 275.00
	51 or more Employees	\$ 540.00	\$ 550.00
Pool Rooms		\$ 216.00	\$ 220.00
Massage Establishment	1 to 3 Employees	\$ 118.00	\$ 120.00
	4 or more Employees	\$ 216.00	\$ 220.00
Massage Therapist		\$ 118.00	\$ 120.00
Solicitors -Pawnbrokers -Private Patrol -			
Live Entertainment -Wine Festivals		\$ 324.00	\$ 330.00
Occult Science		\$ 324.00	\$ 330.00
Hypnotist		\$ 432.00	\$ 440.50
Kennels-Animal Hospitals- Groomers		Same as Professional	Same as Professional
Veterinarians		Same as Professional	Same as Professional
Professional	1 to 3 Employees	\$ 118.00	\$ 120.00
	4 to 10 Employees	\$ 216.00	\$ 220.00
	11 to 50 Employees	\$ 378.00	\$ 385.50
	51 or more Employees	\$ 540.00	\$ 550.00
Apartments (First Unit)		\$ 64.00	\$ 65.00
(Each additional Unit)		\$ 3.00	\$ 3.00
Rental Dispute Fee (Each Unit)		\$ 11.00	\$ 11.00
Trailer Courts (First Unit)		\$ 216.00	\$ 220.00
(Each additional Unit)		\$ 2.00	\$ 2.00
Hotels		\$ 162.00	\$ 165.00
(Each Room)		\$ 3.00	\$ 3.00
Mobile Home Parks		\$ 216.00	\$ 220.00
(Each additional Unit)		\$ 2.00	\$ 2.00
Theaters		\$ 432.00	\$ 440.50
Taxicabs - Limousines		\$ 118.00	\$ 120.00
(Each Cab/ Limo)		\$ 21.00	\$ 21.00
Scavenger Companies		Same as Professional	Same as Professional
Non-profit Organizations		Exempt from Fee	Exempt from Fee
Amusement Devices - Vending Machines		Number of Machines	Number of Machines
	1-5	\$ 95.00	\$ 96.50
	6-10	\$ 188.00	\$ 191.50
	11-50	\$ 324.00	\$ 330.00
	51 or more	\$ 540.00	\$ 550.50
Tobacco Retailer Permit ***		-	-

\* If your business classification is not listed, please contact the Finance Department at 866-2174 for the appropriate fee.

\*\* A mandatory \$1.00 State ADA Fee will be added to each business license tax.

\*\*\* Per Ordinance 2165.



*Campbell  
Successor  
Agency*

Item: 11.  
Category: New Business  
Date: April 19, 2016

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**TITLE: Adopt a Resolution of the City of Campbell Successor Agency Approving the Issuance of Refunding Bonds in order to Refund Outstanding Bonds and Other Indebtedness of the Dissolved City of Campbell Redevelopment Agency, Approving the Execution and Delivery of an Indenture of Trust and Other Documents Relating Thereto (Resolution/Roll Call Vote)**

**RECOMMENDATION**

Adopt a resolution of the City of Campbell Successor Agency approving the issuance of refunding bonds in order to refund outstanding bonds and other indebtedness of the dissolved City of Campbell Redevelopment Agency, approving the execution and delivery of an Indenture of Trust, Escrow Deposit and Trust Agreement and other related documents.

**BACKGROUND**

The City of Campbell Redevelopment Agency (the "Former Agency") issued tax allocation bonds in 2002 and 2005 (the "2002 TABs" and the "2005 TABs", together the "TABs") and incurred an obligation to repay an advance (the "Advancement") made by the City to the Former Agency with respect to the 1997 Refunding Certificates of Participation (Civic Center Project) (the "1997 COPs") and the 2002 Refunding Certificates of Participation (Civic Center Project) (the "2002 COPs"). The repayment of the Advancement only pays for a portion of the principal and interest with respect to the 1997 COPs and the 2002 COPs.

The current outstanding par amount of the TABs is \$19,380,000 and the par amount of the 1997 and 2002 COPs that are attributable to the Advancement (the "Advancement-Related COPs") is \$6,203,790. All of these obligations are presently callable at par or 100%.

With the passage of AB1484, the City of Campbell Successor Agency is authorized to issue refunding bonds to pay off outstanding indebtedness of the Former Agency. With current interest rates having declined, the opportunity to refinance the existing obligations, and realize savings for all affected entities, including the various Countywide taxing jurisdictions, now exists, and a financing team is being assembled to structure a refunding transaction.

Staff has determined, in consultation with its municipal advisor, that current bond market conditions are favorable for the issuance of refunding bonds to refinance the

outstanding TABs and the Advancement (which will result in a refinancing of the Advancement-Related COPs). The attached Debt Service Savings Analysis Report shows estimated average annual debt service savings based on current market conditions to be approximately \$516,000 per year beginning in 2017. Any debt service savings as a result of the refunding will increase the amount of former redevelopment tax increment revenue that can be distributed to all the taxing entities, including the City of Campbell General Fund.

The Successor Agency is being asked to authorize the issuance of refunding Bonds in accordance with the terms of the Indenture. The Indenture essentially lays out the terms and conditions of the bonds to be issued (i.e. maturity, notifications, covenants and other legal requirements, etc.). The final terms and conditions of the Indenture cannot be known until the Bonds are actually sold. Additionally, Bond Counsel has prepared an Escrow Deposit and Trust Agreement. The Escrow Agreement establishes an escrow fund to accomplish the defeasance and redemption/prepayment of the TABs and the Advancement/Advancement-Related COPS and appoints US Bank as Escrow Agent.

The Resolution gives staff the authority to work with the City's municipal advisor and bond counsel to determine the method of sale (either a negotiated underwriting and a public sale, or a private placement) that staff concludes will result in the lowest long-term cost financing,

### REFUNDING PROCESS

Tonight's action is the second step in the process to refund the TABs, the Advancement and the Advancement-Related COPs. It is anticipated that the refunding will take a few months to complete. The key milestones to complete the refunding (assuming a private placement of the refunding bonds) are identified below:

- Successor Agency approves the retention of Consultants in connection with the proposed issuance of Bonds to refund outstanding obligations of the City of Campbell Successor Agency (April 5 – Completed)
- Approval of Resolution authorizing the issuance of refunding bonds and approving the form of documents by the Successor Agency (**Tonight's Action**)
- Approval of Resolution authorizing the issuance of refunding bonds and approving the form of Indenture by the Successor Agency Oversight Board (April 27)
- Submission to Department of Finance for approval (April 28)
- Department of Finance approval (July 5 is the final date permitted under Dissolution Act)

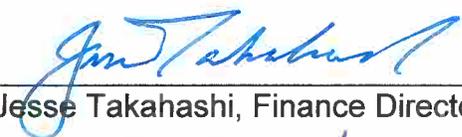
- Select winning Purchaser (July 18)
- Rates are formally locked (July 26)
- Bond closing (August 3)

### FISCAL IMPACT

Based on current market conditions, it is anticipated that the refinancing of the outstanding obligations of the former Redevelopment Agency will generate savings in excess of \$8.0 million over the remaining life of the refunding bonds. The average annual savings are estimated at more than \$516,000 per year with the debt retired on October 1, 2033. The City's share of the savings is approximately 13.2% or more than \$68,000 average annual savings per year. The actual savings will be determined at the time of sale of the refunding bonds. **The term of the refunding bonds is the same as the original term of the currently outstanding obligations and will not be extended.** These savings are net of the cost of issuance.

The costs of issuance cover the fees of the municipal advisor, bond/disclosure counsel, fiscal consultant, escrow agent, trustee, Successor Agency staff, and other miscellaneous costs. All of the costs of issuance that are approved are contingent upon a successful refinancing, except for the costs of the fiscal consultant and bond rating. The non-contingent costs are eligible to be included on the future Recognized Obligations Payment Schedule (ROPs) per the provisions of AB 1484 if the refunding fails to close. The agreements of the municipal advisor and bond/disclosure counsel are contingent on the refinancing of the bonds.

Prepared by:

  
\_\_\_\_\_  
Jesse Takahashi, Finance Director

Approved by:

  
\_\_\_\_\_  
Mark Linder, Executive Director

### Attachments:

1. Resolution
2. Indenture of Trust
3. Escrow Deposit and Trust Agreement
4. Debt Service Savings Analysis Report

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF CAMPBELL SUCCESSOR AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND OUTSTANDING BONDS AND OTHER INDEBTEDNESS OF THE DISSOLVED CITY OF CAMPBELL REDEVELOPMENT AGENCY, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST AND OTHER DOCUMENTS RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

WHEREAS, the City of Campbell Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Redevelopment Law"); and

WHEREAS, Assembly Bill x1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 ("AB 1484"), codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act"); and

WHEREAS, pursuant to Section 34172(a) of the Dissolution Act, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Dissolution Act, the City of Campbell (the "City") has become the successor entity to the Former Agency (the "Successor Agency"); and

WHEREAS, all assertions and actions identified and approved in this Resolution are deemed to be the assertions and actions of the Successor Agency; and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued, among other indebtedness, the obligations listed on Exhibit A for the purpose of financing and refinancing redevelopment activities (the "Prior Obligations"); and

WHEREAS, Section 34177.5 of the Dissolution Act authorizes the Successor Agency to issue refunding bonds to refinance the Prior Obligations pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") so long as the Successor Agency achieves debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"); and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of refunding bonds for the purpose of defeasing and refunding all or a portion of the Prior Obligations, the Successor Agency has caused its municipal advisor, Fieldman, Rolapp & Associates (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the

proceeds of the refunding bonds to defease and refund all or a portion of the Prior Obligations (the "Debt Service Savings Report"); and

WHEREAS, the Successor Agency wishes at this time to approve the issuance of the City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds (the "Refunding Bonds"); and

WHEREAS, the Successor Agency further wishes at this time to approve the form of and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and a trustee to be selected by the City Manager or the Finance Director, providing for the issuance of the Refunding Bonds (the "Indenture"), and an Escrow Deposit and Trust Agreement that would govern the defeasance, redemption and prepayment of the Prior Obligations (the "Escrow Agreement"); and

WHEREAS, pursuant to Section 34179 of the Dissolution Act, an oversight board (the "Oversight Board") has been established for the Successor Agency; and

WHEREAS, the Successor Agency wishes to request that the Oversight Board approve and direct the issuance of the Refunding Bonds pursuant to this Resolution and the Indenture; and

WHEREAS, the Successor Agency further wishes to request that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds; and

WHEREAS, the Successor Agency wishes to authorize and direct staff, without further authorization or approval by this City Council, to determine whether the Refunding Bonds should be sold to an underwriter to be identified by staff or privately placed with a financial institution to be identified by staff, and whether to fund a reserve fund for the Refunding Bonds, with such determinations to be based upon staff's conclusion, subject to compliance of the sale with the parameters set forth in this Resolution, that the method of sale selected by staff will result in the lowest long-term cost financing; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Campbell, as the City of Campbell Successor Agency, as follows:

Section 1. Recitals. The Successor Agency finds and determines that the above referenced recitals are true and correct and material to this Resolution.

Section 2. Savings; Debt Service Savings Report. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund and defease all or a portion of the Prior Obligations, all as evidenced by the Debt Service Savings Report on file with the City Clerk, as the secretary (the "Secretary") of the Successor Agency, which Debt Service Savings Report is hereby approved.

Section 3. Approval of Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under the Redevelopment Law, as amended and supplemented by the Dissolution Act (the "Law"), and the Refunding Law in the aggregate principal amount of not to exceed \$25,500,000 to refund and defease all or a portion of the Prior Obligations, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

Section 4. Approval of Indenture. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Mayor of the City, as the Chair and presiding officer of the Successor Agency, the City Manager of the City, as the chief administrative officer of the Successor Agency, and the Finance Director of the City, as the chief financial officer of the Successor Agency (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Secretary of the Successor Agency, is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Indenture.

Section 5. Approval of Escrow Agreement. The form of Escrow Agreement on file with the Secretary is hereby approved and the Authorized Officers are, each acting alone hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Escrow Agreement for the purpose of defeasing and refunding all or a portion of the Prior Obligations. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Escrow Agreement.

Section 6. Approval and Direction of Issuance by the Oversight Board. The Successor Agency hereby requests that the Oversight Board, as authorized by Section 34177.5(f) and Section 34180 of the Dissolution Act, approve and direct the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1) of the Dissolution Act and this Resolution and the Indenture.

Section 7. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f) of the Dissolution Act, to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the City for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of all or a portion of the Prior Obligations, as

well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a) of the Dissolution Act, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, notwithstanding Section 34177.3 of the Dissolution Act or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Santa Clara County Controller-Treasurer or any other person or entity other than the Successor Agency.

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(a)(3) of the Dissolution Act without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the Dissolution Act. In addition and as provided by Section 34177.5(f) of the Dissolution Act, if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 of the Dissolution Act without reduction in its Administrative Cost Allowance.

Section 8. Filing of the Debt Service Savings Report. The Secretary of the Successor Agency is hereby authorized and directed to file the Debt Service Savings Report, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) of the Dissolution Act with the Santa Clara County Executive, the Santa Clara County Controller-Treasurer and the California Department of Finance.

Section 9. Sale of the Refunding Bonds. The Successor Agency hereby authorizes and directs the City Manager and the Finance Director, following consultation with the City Attorney, Municipal Advisor and bond counsel, to determine whether the lowest long-term cost financing (taking into account all of the initial and ongoing costs associated with the issuance and maintenance of the Refunding Bonds) will be achieved by selling the Refunding Bonds to an underwriter to be selected by the City Manager and the Finance Director, or selling the Refunding Bonds in a private placement to one or more financial institutions to be selected by the City Manager and the Finance Director, and each of the Authorized Officers, acting alone, is hereby authorized and directed to execute and deliver a purchase agreement with such institution for and in the name and on behalf of the Successor Agency, and the Successor Agency's approval of such bond purchase agreement shall to be conclusively evidenced by the execution and delivery of such agreement. The Successor Agency hereby authorizes the delivery and performance of its obligations under such bond purchase agreement(s).

The Successor Agency hereby authorizes the City Manager and the Finance Director to approve a rate lock agreement (which could result in a financial penalty being imposed on the Successor Agency if the sale of the Refunding Bonds does not close) and such other commercially reasonable terms as they determine will result in the lowest long-term financing.

Section 10. Partial Refunding. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds to refund the Prior Obligations in whole, provided that there is compliance with the Savings Parameters. If such Savings Parameters cannot be met with respect to the Prior Obligations in whole, then the Refunding Bonds shall be sold to refund the Prior Obligations in part to the extent that the refunding of the Prior Obligations in part can satisfy the Savings Parameters. In the event the Refunding Bonds are issued to refund the Prior Obligations in part, the Successor Agency intends to sell and deliver additional bonds to refund the unrefunded Prior Obligations pursuant to a supplement to the Indenture without the prior approval of the Oversight Board provided that in each such instance the bonds so sold and delivered in part are in compliance with the Savings Parameters.

Section 11. Bond Insurance; Surety Bond. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain one or more municipal bond insurance policies for the Refunding Bonds and reserve account surety bonds for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor and the underwriter or financial institution, that such municipal bond insurance policy and/or surety bonds will reduce the true interest costs of the Refunding Bonds.

Section 12. Further Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 13. Transmission of this Resolution. Staff is hereby directed to transmit a certified copy of this Resolution to the Oversight Board for approval, and to the Santa Clara County Executive Officer, the Santa Clara County Controller-Treasurer and the California Department of Finance.

Section 14. Effectiveness of this Resolution. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 19th day of April, 2016, by the following roll call vote:

AYES : Board Members:

NOES : Board Members:

ABSENT: Board Members:

ABSTAIN: Board Members:

APPROVED:

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Jason T. Baker, Chairperson

ATTEST:

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Wendy Wood, Secretary

## EXHIBIT A

### PRIOR OBLIGATIONS

\$15,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2002 A, issued pursuant to an Indenture of Trust, dated as of September 1, 1999, as supplemented by a First Supplement to Indenture of Trust, dated as of July 1, 2002 (the "Master Indenture").

\$12,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2005A, pursuant to the Master Indenture, as supplemented by a Second Supplement to Indenture of Trust, dated as of May 15, 2005.

An obligation to repay an advance (the "Successor Agency Repayment Obligation") made by the City of Campbell to the Former Agency, pursuant to a Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002, by and between the City and the Former Agency, which repayments are payable directly to (A) U.S. Bank National Association, as trustee with respect to the \$13,480,000 1997 Refunding Certificates of Participation (Civic Center Project) (the "1997 Certificates") and (B) U.S. Bank National Association, as trustee with respect to the \$11,930,843.30 2002 Refunding Certificates of Participation (Civic Center Project) (the "2002 Certificates"). The Successor Agency Repayment Obligation only pays for a portion of the 1997 Certificates and the 2002 Certificates. The City and the Campbell Joint Public Finance Authority expect that they will, on or about the time the Successor Agency issues the Refunding Bonds, refinance the portion of the 1997 Certificates and the 2002 Certificates that is not payable from the Successor Agency Repayment Obligation, to the extent such portion is eligible to be refinanced.

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**INDENTURE OF TRUST**

**Dated as of \_\_\_\_\_ 1, 2016**

**by and between the**

**CITY OF CAMPBELL SUCCESSOR AGENCY**

**and**

\_\_\_\_\_  
**as Trustee**

**Relating to**

**\$ \_\_\_\_\_**  
**City of Campbell Successor Agency**  
**2016 Tax Allocation Refunding Bonds**

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## INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is made and entered into and dated as of \_\_\_\_\_ 1, 2016, by and between the CITY OF CAMPBELL SUCCESSOR AGENCY, a public entity duly organized and existing under the laws of the State of California (the "Successor Agency"), and \_\_\_\_\_ a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee");

### WITNESSETH:

**WHEREAS**, the City of Campbell Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Redevelopment Law");

**WHEREAS**, the redevelopment plan for the Central Campbell Redevelopment Project Area (the "Project Area") was adopted in compliance with all requirements of the Redevelopment Law, as detailed on Exhibit C attached hereto and incorporated herein (as such plan was further amended pursuant to the Redevelopment Law or may be amended pursuant to the Dissolution Act, as defined below, the "Redevelopment Plan");

**WHEREAS**, to finance redevelopment activities with respect to the Project Area, the Former Agency issued certain outstanding bonds and agreed to an indebtedness obligation related to outstanding certificates of participation (collectively, the "Outstanding Prior Obligations"), as listed on Exhibit D attached hereto and incorporated herein;

**WHEREAS**, Assembly Bill x1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 ("AB 1484"), codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act"); and

**WHEREAS**, pursuant to Section 34172(a) of the Dissolution Act, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Dissolution Act, the City of Campbell (the "City") has become the Successor Agency; and

**WHEREAS**, with respect to the 2002 Bonds, the 2005 Bonds, and the Advancement, Section 34177.5(a)(1) of the Dissolution Act authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") to refund bonds or other indebtedness for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1);

**WHEREAS**, the Successor Agency has determined that, with respect to the Outstanding Prior Obligations, it will achieve debt service savings within the parameters established by the Dissolution Act, by the issuance pursuant to the Law (as defined below), the Refunding Law and this Indenture of the \$ \_\_\_\_\_ aggregate principal amount of the City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds (the "Bonds");

**WHEREAS**, as a result of the proposed refinancing, there will be no obligations outstanding other than the Bonds that are secured by a pledge of Tax Revenues;

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture;

**WHEREAS**, all acts and proceedings required by law necessary to make the Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds issued and Outstanding under this Indenture at any time, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

## ARTICLE I

### DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"1997 Certificates" means the \$13,480,000 1997 Refunding Certificates of Participation (Civic Center Project).

"1997 Trustee" means U.S. Bank National Association, as trustee with respect to the 1997 Certificates.

"2002 Bonds" means the \$15,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2002 A.

"2002 Certificates" means the \$11,930,843.30 2002 Refunding Certificates of Participation (Civic Center Project), the portion of which were issued as capital appreciation certificates, will remain outstanding following the issuance of the Bonds.

"2002 Current Interest Certificates" means the portion of the 2002 Certificates which accrue interest on a current basis.

"2002 Trustee" means U.S. Bank National Association, as trustee with respect to the 2002 Certificates.

"2005 Bonds" means the \$12,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2005A.

"Accredited Investor" means an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the United States Securities Act of 1933, as amended.

"Additional Allowance" means, as of the date of calculation, the amount of Tax Revenues which, as shown in the report of an Independent Redevelopment Consultant, are estimated to be receivable by the Successor Agency in the next succeeding Fiscal Year as a result of (i) increases in the assessed valuation of taxable property in the Project Area due to inflation at an assumed annual inflation rate equal to two percent (2%) or as provided in the following paragraph, (ii) construction which has been completed or is expected to be completed within twelve (12) months of the date of such calculation, and (iii) transfer of ownership which is not then reflected on the tax rolls.

“Advancement” means the obligation of the Successor Agency to repay an advance made by the City of Campbell to the Former Agency, pursuant to the Indebtedness Agreement, which repayments are payable directly to U.S. Bank National Association, as trustee with respect to the 1997 Certificates and the 2002 Certificates.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds and any Parity Debt that does not constitute Bonds in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture) and any Parity Debt that does not constitute Bonds payable by their terms in such Bond Year.

“Authorized Denomination” means, with respect to the Bonds, the outstanding principal amount thereof.

“Bond” or “Bonds” means the Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

“Bondowner Representative” means (i) initially, \_\_\_\_\_, its successors and assigns and (ii) thereafter, any entity appointed by the owner of a majority of the principal amount of the Outstanding Bonds.

“Bond Counsel” means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Bond Proceeds Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“Bond Year” means, any twelve-month period beginning on October 1 in any year and ending on the next succeeding September 30, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on September 30, 2016.

“Business Day” means a day of the year on which banks in San Francisco, California, or the city where the Principal Corporate Trust Office is located, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

“City” means the City of Campbell, a municipal corporation organized and existing under the laws of the State.

“Closing Date” means the date on which the Bonds are delivered by the Successor Agency to the original purchaser thereof.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery

of the Bonds, including but not limited to the City and Successor Agency administrative staff costs, printing expenses, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Account” means the account by that name within the Bond Proceeds Fund established and held by the Trustee pursuant to Section 3.03.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Defeasance Obligations” means (i) cash and (ii) Federal Securities.

“Depository System Participant” means any participant in the Depository's book-entry system.

“Dissolution Act” means Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended from time to time.

“Event of Default” means any of the events described in Section 8.01.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

“Fiscal Year” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official Fiscal Year period.

“Former Agency” means the City of Campbell Redevelopment Agency, a public body corporate and politic duly organized and existing under the Redevelopment Law and dissolved in accordance with the Dissolution Act.

“Indebtedness Agreement” means the Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002, by and between the City and the Successor Agency.

“Indenture” means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

- (a) is in fact independent and not under domination of the Successor Agency;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of property tax revenues deposited into the Redevelopment Property Tax Trust Fund or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under domination of the Successor Agency;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means \_\_\_\_\_, and April 1 and October 1 in each year thereafter so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the Dissolution Act.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year as certified in writing by the Successor Agency to the Trustee.

"Mayor" means the Mayor of the City or other duly appointed officer of the Successor Agency authorized by the Successor Agency by resolution to perform the functions of the Mayor in the event of the Mayor's absence or disqualification.

"Moody's" means Moody's Investors Service and its successors.

"Notice of Insufficiency" means the notice described in Health & Safety Code Section 34183(b).

"Original Purchaser" means \_\_\_\_\_.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

“Outstanding Prior Obligations” has the meaning given that term in the Recitals of this Indenture.

“Oversight Board” means the City of Campbell Successor Agency Oversight Board, duly constituted from time to time pursuant to Section 34179 of the California Health and Safety Code.

“Owner” or “Bondowner” means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

“Parity Debt” any loan, bonds (including any bonds issued pursuant to a Supplemental Indenture), notes, advances or indebtedness payable from Tax Revenues on a parity with the Bonds as authorized by the provisions of Section 5.02.

“Pass-Through Agreements” means the following:

(a) that certain “Agreement between the City of Campbell Redevelopment Agency and the County of Santa Clara pursuant to the Law and Health and Safety Code Section 33000 et seq. Regarding Alleviation of Fiscal Burden or Detriment Caused to the County by a Redevelopment Agency, dated June 7, 1983,” as amended by amendments dated October 20, 1987, July 2, 1991 and April 15, 1992;

(b) that certain Fiscal Agreement Regarding Second Amended and Restated Central Campbell Redevelopment Plan (Santa Clara County Superintendent of Schools), dated April 15, 1992, by and between the Agency and the Santa Clara County Superintendent of Schools;

(c) that certain Fiscal Agreement Regarding Second Amended and Restated Central Campbell Redevelopment Plan (Campbell Union High School District), dated April 9, 1992, by and between the Agency and the Campbell Union High School District;

(d) that certain Fiscal Agreement Regarding Second Amended and Restated Central Campbell Redevelopment Plan (Cambrian School District), dated May 19, 1992, between the Agency and the Cambrian School District;

(e) that certain Fiscal Agreement Regarding Second Amended and Restated Central Campbell Redevelopment Plan (West Valley-Mission Community College District), dated May 19, 1992, between the Agency and the West Valley-Mission Community College District;

(f) that certain Tax Sharing Agreement Between Campbell Municipal Lighting District and Campbell Redevelopment Agency, dated September 15, 1987, as

amended by First Amendment to Fiscal Agreement, dated May 19, 1992, each by and between the Agency and the Campbell Municipal Lighting District;

(g) that certain Fiscal Agreement, dated as of July 23, 1991, between the Agency and the Santa Clara Valley Water District; and

(h) an agreement with Campbell Union School District.

“Parity Debt Instrument” means any resolution, indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt, including, without limitation, a Supplemental Indenture authorized by Section 7.01(e).

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

(a) Federal Securities;

(b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) obligations of the Federal Financing Bank; (iii) debentures of the Federal Housing Administration; (iv) participation certificates of the General Services Administration; (v) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (vi) guaranteed Title XI financings of the U.S. Maritime Administration; (vii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association (excluding stripped mortgage securities which are valued greater than par on the portion of unpaid principal); (iv) senior debt obligations of the Student Loan Marketing Association; (v) obligations (but only the interest component of stripped obligations) of the Resolution Funding Corporation; and (vi) consolidated system wide bonds and notes of the Farm Credit System;

(d) money market funds (including funds of the Trustee or its affiliates) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of “AAAm-G”, “AAAm”, or “AAm”, and, if rated by Moody’s, rated Aaa, Aa1 or Aa2, including funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(e) certificates of deposit secured at all times by collateral described in (a) or (b) above, which have a maturity of one year or less, which are issued by commercial

banks, including affiliates of the Trustee, savings and loan associations or mutual savings banks, and such collateral must be held by a third party, and the Trustee on behalf of the Bondowners must have a perfected first security interest in such collateral;

(f) certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates) which are fully insured by the Federal Deposit Insurance Corporation;

(g) investment agreements, including guaranteed investment contracts, which, are general obligations of an entity whose long term debt obligations, or claims paying ability, respectively, which are rated in one of the two highest rating categories by Moody's or S&P or which are collateralized so as to be rated in one of the two highest rating categories by Moody's or S&P;

(h) commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P;

(i) bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) deposit accounts, money market deposits or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P;

(k) repurchase agreements for thirty (30) days or less (more than thirty (30) days which provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date, which satisfy the following criteria:

(i) repurchase agreements must be between the Trustee and (A) a primary dealer on the Federal Reserve reporting dealer list which falls under the jurisdiction of the Securities Investors Protection Corporation and which are rated "A" or better by Moody's and S&P, or (B) a bank rated "A" or better by Moody's and S&P;

(ii) the written repurchase agreement contract must include the following: (A) securities acceptable for transfer, which may be direct U.S. government obligations, or federal agency obligations backed by the full faith and credit of the U.S. government; (B) the term of the repurchase agreement may be up to 30 days; (C) the collateral must be delivered to the Trustee or a third party acting as agent for the Trustee simultaneous with payment (perfection by possession of certificated securities); (D) the Trustee must have a perfected first priority security interest in the collateral; (E) the collateral must be free and clear of third-party liens and, in the case of a broker which falls under the jurisdiction of the Securities Investors Protection Corporation, are not subject to a repurchase agreement or a reverse repurchase agreement; (F) failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral; (G) the securities must be valued weekly,

marked-to-market at current market price plus accrued interest and the value of collateral must be equal to 104% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest (unless the securities used as collateral are obligations of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, in which case the collateral must be equal to 105% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest). If the value of securities held as collateral falls below 104% of the value of the cash transferred by the Trustee, then additional cash and/or acceptable securities must be transferred; and

(iii) a legal opinion must be delivered to the Trustee to the effect that the repurchase agreement meets guidelines under state law for legal investment of public funds;

(l) pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P; provided, however, pre-refunded municipal bonds rated by S&P only (i.e., no Moody's rating) are acceptable if such pre-refunded municipal bonds were pre-refunded with cash, direct U.S. or U.S. guaranteed obligations or AAA rated pre-refunded municipal bonds; and

(m) the Local Agency Investment Fund of the State of California, created pursuant to Section 16429.1 of the California Government Code.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Principal Corporate Trust Office" means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor Agency.

"Project Area" has the meaning given that term in the Recitals of this Indenture.

Qualified Institutional Buyer" means a qualified institutional buyer as defined in Rule 144A promulgated pursuant to the United States Securities Act of 1933, as amended.

"Recognized Obligation Payment Schedule" means the schedule by that name prepared before each fiscal period in accordance with the requirements of Section 34177(l) of the California Health and Safety Code.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redevelopment Obligation Retirement Fund" means the fund established and held by the Successor Agency pursuant to Section 34170.5(a) of the California Health and Safety Code.

"Redevelopment Plan" has the meaning given that term in the Recitals of this Indenture.

"Redevelopment Property Tax Trust Fund" means the fund established pursuant to Section 34170.5(b) of the California Health and Safety Code and administered by the Santa Clara County Auditor--Controller.

"Refunding Law" means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

"Reserve Requirement" means, as of the date of any calculation, the least of (i) 10% of the original principal amount of the Bonds, (ii) an amount equal to Maximum Annual Debt Service on the Bonds payable by the Successor Agency between the date of such calculation and the final maturity of the Bonds, or (iii) 125% of average annual debt service on the Bonds payable hereunder.

"S&P" means Standard & Poor's Ratings Services and its successors.

"Semiannual Period" means (a) each six-month period beginning on January 1 of any calendar year and ending on June 30 of such calendar year, and (b) each six-month period beginning on July 1 of any calendar year and ending on December 31 of such calendar year.

"State" means the State of California.

"Subordinate Debt" means any bonds, notes, loans, advances or other indebtedness issued or incurred by the Successor Agency that are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (b) secured by a pledge of or lien upon the Tax Revenues that is subordinate to (i) the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds and (ii) the Successor Agency's obligation to reimburse the provider of a letter of credit, surety bond or similar instrument for the debt service reserve account for any Parity Debt.

"Successor Agency" means the City of Campbell Successor Agency, a public entity duly organized and existing under the Law.

“Supplemental Indenture” means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“Tax Revenues” means, for each Fiscal Year, all moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Law, excluding amounts if any, payable by the Successor Agency pursuant to Sections 33676, 33607.5 and 33607.7 of the Law and Section 34183(a)(1) of the Law, including amounts payable by the Successor Agency pursuant to the Pass-Through Agreements, except to the extent such amounts are payable on a basis subordinate to the payment of Annual Debt Service on the Bonds or any Parity Debt pursuant to Sections 33607.5(e) and 34177.5(c) of the Law or the terms of the Pass-Through Agreements.

“Term Bonds” means any Bonds subject to mandatory sinking fund redemption as set forth in a Supplemental Indenture.

“Trustee” means \_\_\_\_\_, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

“Written Request of the Successor Agency” or “Written Certificate of the Successor Agency” means a request or certificate, in writing signed by the Mayor, Secretary, City Manager or Finance Director of the City or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of the Bonds. The Bonds in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Law and the Refunding Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The Bonds shall be designated the "City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds."

Section 2.02. Terms of Bonds. The Bonds shall be dated as of the Closing Date, and shall be issued in fully registered form without coupons in Authorized Denominations. The Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Amount</u>	<u>Rate</u>
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Interest on the Bonds (including the final interest payment upon maturity) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee prior to the applicable Record Date. Principal of and redemption premium (if any) on any Bond shall be paid upon presentation and surrender thereof, at maturity or earlier redemption, at the Principal Corporate Trust Office of the Trustee; provided, however, that sinking fund redemption payments may be made to the registered owner of a Bond without the surrender of the Bond by the registered owner. Both the principal of and interest and redemption premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) a Bond is authenticated on or before the first Record Date, in which event it shall

bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Redemption of Bonds.

[(a) Optional Redemption. The Bonds maturing on or before October 1, 2026 are not subject to optional redemption prior to maturity. The Bonds maturing on and after October 1, 2027, are subject to redemption, at the option of the Successor Agency on any date on or after October 1, 2026, as a whole or in part, by such maturities as shall be determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.]

(b) Mandatory Sinking Fund Redemption. The Bonds are subject to mandatory redemption in whole, or in part by lot, on April 1 and October 1 in each year, commencing \_\_\_\_\_, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on the dates in the respective years as set forth in the following table.

<u>Mandatory Sinking Fund Redemption Date</u>	<u>Amount</u>
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(c) Notice of Redemption. The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, to (i) to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to the Information Services; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Successor Agency has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not

available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

Section 2.04. Form of Bonds. The Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of the City Manager of the City and the signature of the City Clerk who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the

actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of Authorized Denomination. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption (if applicable).

A Bond may only be transferred in an Authorized Denomination to an Accredited Investor or Qualified Institutional Buyer who delivers to the Trustee and the Authority an executed letter substantially in the forms of Exhibit E of this Indenture. The Successor Agency may remove the limitations set forth in this Section 2.06 without notice to or consent of any Owner of the Bonds.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other Authorized Denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption (if applicable).

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of Authorized Denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Registration.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds in an Authorized Denomination. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Original Purchaser.

(b) Legend. Each Bond shall contain the following statement: "THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND ARE SUBJECT TO TRANSFER RESTRICTIONS PURSUANT TO THE INDENTURE. THE BONDS ARE LIMITED OBLIGATIONS OF THE SUCCESSOR AGENCY. THE BONDS DO NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE, IN ANY MANNER, THE SUCCESSOR AGENCY TO LEVY ANY TAX OR TO MAKE ANY APPROPRIATION FOR PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR ANY COSTS INCIDENTAL THERETO. THE BONDS ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR PAYMENT IN ACCORDANCE WITH THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE SUCCESSOR AGENCY, THE CITY OF CAMPBELL, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR ANY COSTS INCIDENTAL THERETO. THE SUCCESSOR AGENCY HAS NO TAXING POWER."

## ARTICLE III

### DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee Bonds in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Successor Agency.

#### Section 3.02. Application of Proceeds of Sale and Certain Other Amounts.

On the Closing Date, the proceeds of the sale of the Bonds in the amount of \$\_\_\_\_\_ (being the aggregate principal amount of the Bonds (\$\_\_\_\_\_), plus a net original issue premium in the amount of \$\_\_\_\_\_, less an underwriter's discount in the amount of \$\_\_\_\_\_). shall be paid to the Trustee as follows:

(a) The Trustee shall deposit the amount of \$\_\_\_\_\_ in the Costs of Issuance Account of the Bond Proceeds Fund.

(b) The Trustee shall deposit the remaining amount of proceeds of the Bonds (\$\_\_\_\_\_) in the Refunding Account of the Bond Proceeds Fund.

Section 3.03. Bond Proceeds Fund; Costs of Issuance Account; Refunding Account. There is hereby established a separate fund to be known as the "Bond Proceeds Fund", which shall be held by the Trustee in trust, and within such Fund there shall be established a separate "Refunding Account" and a separate "Costs of Issuance Account."

(a) Use of Moneys in the Bond Proceeds Account. On the Closing Date, the Trustee shall transfer the moneys in the Refunding Account, in the total sum of \$\_\_\_\_\_, to U.S. Bank National Association, as escrow bank (the "Escrow Bank") for the purpose of providing for (i) the defeasance and redemption of the 2002 Bonds and the 2005 Bonds, and (ii) the discharge and prepayment of the Advancement and, as a result, the defeasance and prepayment of the 1997 Certificates and the 2002 Current Interest Certificates, in accordance with the Escrow Deposit and Trust Agreement, dated as of \_\_\_\_\_ 1, 2016, by and between the Successor Agency and the Escrow Bank, and the Bond Proceeds Account shall be closed.

(b) Use of Moneys in the Costs of Issuance Account. The moneys in the Costs of Issuance Account shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance related to the Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Account shall be withdrawn therefrom by the Trustee and transferred to the Interest Account of the Debt Service Fund to be used to pay debt service on the Bonds and the Trustee shall close the Costs of Issuance Account.

## ARTICLE IV

### SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. The Successor Agency may not issue additional bonds or incur additional obligations that are payable from moneys deposited in the Redevelopment Property Tax Trust Fund on a senior basis to the Bonds and any Parity Debt.

Pursuant to Section 34177.5(g) of the Dissolution Act, except as provided in Section 6.06, the Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues, including all of the Tax Revenues in the Redevelopment Obligation Retirement Fund and all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account and the Reserve Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal (including any mandatory sinking fund redemption amount) of or interest on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Tax Revenues. The Successor Agency has established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Dissolution Act and, so long as any of the Bonds are Outstanding, the Successor Agency shall continue to hold and maintain such fund as a separate fund in its treasury (which shall be a separate account from other accounts of the Successor Agency and the City of Campbell into which no other moneys shall be deposited). The Successor Agency shall deposit all of the Tax Revenues received with respect to any Semiannual Period into the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency.

All Tax Revenues received by the Successor Agency with respect to a Bond Year in excess of the amount required to pay debt service on the Bonds and any Parity Debt, and except as may be provided to the contrary in any Parity Debt Instrument, shall be released from the pledge and lien hereunder and shall be applied in accordance with the Law, including but not limited to the payment of any amounts due and owing to the United States of America pursuant to Section 5.14. Prior to the payment in full of the principal of and interest and premium, if any, on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indentures, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Redevelopment Obligation Retirement Fund, except as may be provided in this Indenture and in any Supplemental Indenture.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Concurrently with transfers with respect to Parity Debt pursuant to Parity Debt Instruments, moneys in the Redevelopment Obligation Retirement Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited

by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority:

(a) Interest Account. Within five (5) Business Days of its receipt of moneys in the Recognized Obligation Retirement Fund, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on the next Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable.

(b) Principal Account. Within five (5) Business Days of its receipt of moneys in the Recognized Obligation Retirement Fund, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal (including any mandatory sinking fund redemption amount) becoming due and payable on the Outstanding Bonds, including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture, on the next October 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal (including any mandatory sinking fund redemption amount) to become due on the next October 1 on all of the Outstanding Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal (including any mandatory sinking fund redemption amount) of the Bonds, as it shall become due and payable.

(c) Reserve Account. There is hereby established in the Debt Service Fund a separate account known as the "Reserve Account" solely as security for payments on the Bonds payable by the Successor Agency pursuant to this Section 4.03, which shall be held by the Trustee in trust for the benefit of the Owners of the Bonds.

(d) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(a), the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to Section 2.03(a) for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Bonds to be redeemed on such date pursuant to Section 2.03(a) and similar provisions in one or more Supplemental Indentures. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Bonds to be redeemed pursuant to Section 2.03(a) and similar provisions in one or more Supplemental Indentures on the date set for such redemption. Interest due on Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account.

## ARTICLE V

### OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal (including any scheduled mandatory sinking fund redemption amount) and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Issuance of Parity Debt; Subordinate Debt; Senior Debt. The Successor Agency may issue Parity Debt to refund all or a portion of the Outstanding Bonds provided that with respect to any such refunding (i) annual debt service on such Parity Debt, as applicable, is lower than annual debt service on the obligations being refunded during every year the obligations would otherwise be outstanding (ii) the final maturity of any such Parity Debt does not exceed the final maturity of the obligations being refunded, (iii) the interest rate on the Parity Debt shall be fixed on the date of issuance of the Parity Debt, (iv) principal payments shall be on August 1 and interest payments on August 1 and February 1, and (v) prior to the issuance of any Parity Debt, the Successor Agency shall use commercially reasonable efforts, to the extent permitted by law, to subordinate all amounts, if any, payable to a taxing entity pursuant to the Pass-Through Agreements or Sections 33607.5 and 33607.7 to the payment of debt service on such Parity Debt. Nothing herein shall prevent the Successor Agency from issuing Subordinate Debt.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency shall at all times keep, or cause to be kept, proper and current books and accounts in which accurate entries are made of the financial transactions and records of the Successor Agency. Within one hundred eighty (180) days after the close of each Fiscal Year an Independent Certified Public Accountant shall prepare an audit of the financial transactions and records of the Successor Agency for such Fiscal Year. To the extent permitted by law, such audit may be included within the annual audited financial statements of the City. The Successor Agency shall furnish a copy

of such financial statements to any Owner upon reasonable request of such Owner and at the expense of such Owner. The Trustee shall have no duty to review such audits.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date, the Bonds shall be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Project Area or any part thereof.

Section 5.08. Compliance with the Law; Recognized Obligation Payment Schedules; Notice of Insufficiency.

(a) The Successor Agency shall comply with all of the requirements of the Law.

(b) Pursuant to Section 34177 of the Law, not later than each date a Recognized Obligation Payment Schedule is due, the Successor Agency shall submit to the Oversight Board and the State Department of Finance, a Recognized Obligation Payment Schedule. The Successor Agency shall take all actions required under the Law to include in the Recognized Obligation Payment Schedule for each Semiannual Period debt service on the Bonds, so as to enable the Santa Clara County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund on each January 2 and June 1, as applicable, amounts required to enable the Successor Agency to pay timely principal of, and interest on, the Bonds on a timely basis, as such amounts of debt service are set forth in the Recognized Obligation Payment Schedule attached hereto as Exhibit B and hereby made a part hereof, or as such Schedule may be hereafter amended.

(c) In order to ensure that amounts are available for the Trustee to pay debt service on all Outstanding Bonds on a timely basis, the Successor Agency shall, not later than February 1, 2017 (or at such earlier time as may be required by the Dissolution Act), submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Santa Clara County Auditor-Controller that shall include (i) all of the debt service due on all Outstanding Bonds on October 1, 2017, which shall be distributed to the Successor Agency on June 1, 2017 (but only to the extent that there are not other amounts previously reserved therefor), and (ii) all of the interest due on the 2017 Bonds on April 1, 2018 and 50% of the principal due on the Outstanding Bonds on October 1, 2018, which shall be distributed to the Successor Agency on January 2, 2018. Thereafter, not later than each February 1 (or at such earlier time as may be required by the Dissolution Act), for so long as any Bonds are outstanding, the Successor Agency shall submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Santa Clara County Auditor-Controller that shall include (a) interest on all Outstanding Bonds due on the immediately succeeding October 1 plus 50% of principal due on the Outstanding Bonds on such October 1, which amounts shall distributed to the Successor Agency on such June 1, (b) interest on all Outstanding Bonds due on the immediately succeeding April 1 plus 50% of

principal due on all Outstanding Bonds on the October 1 in the following calendar year, which amounts shall distributed to the Successor Agency on the following January 2, and (c) any amount required to cure any deficiency in the Reserve Account pursuant to this Indenture.

(d) In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2016 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt of (i) not less than one of half of debt service due during each Bond Year on all Outstanding Bonds prior to April 1 of such Bond Year, and (ii) the remainder of debt service due during such Bond Year on all Outstanding Bonds prior to the next succeeding October 1.

Section 5.09. Reserved.

Section 5.10. Dissolution Act Invalid; Maintenance of Tax Revenues. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, provisions of the Redevelopment Law or the equivalent become applicable to the Bonds, the Successor Agency shall comply with all requirements of the Redevelopment Law or the equivalent to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of Santa Clara County and, in the case of amounts payable by the State, appropriate officials of the State and shall apply any such Tax Revenues received by the Successor Agency in the manner set forth in this Indenture. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and neither provisions of the Redevelopment Law nor the equivalent replace the invalid provisions, then the Successor Agency shall use good faith efforts to insure the allocation and payment to it of the Tax Revenues and, if and to the extent the Tax Revenues are thereafter insufficient for the Successor Agency to satisfy its obligations under this Indenture, an Event of Default shall be deemed to have occurred and the remedies upon an Event of Default contained herein shall apply.

Section 5.11. No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 5.12. Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 5.14. Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess

investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

Section 5.15. Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 5.16. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming to the Owners of the Bonds the rights and benefits provided in this Indenture.

## ARTICLE VI

### THE TRUSTEE

#### Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving notice of such resignation by first class mail, postage prepaid, to the Bond Owners at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title

and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail a notice of the succession of such Trustee to the trusts hereunder to the each rating agency that then maintains a rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made by a responsible employee or officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or intentional misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

Before taking any action under Article VIII or this Article at the request of the Owners the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Bonds, malicious mischief, condemnation, and unusually severe weather and/or occurrences beyond the control of the Trustee.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Successor

Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless from and against any loss, expense and liabilities which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Costs of Issuance Account shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee at least two (2) Business Days in advance of the making of such investments. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (d) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. Moneys in the Redevelopment Obligation Retirement Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made pursuant to this Section.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will

furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. The Trustee has no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Successor Agency in any Written Certificate or Written Request of the Successor Agency.

For purposes of this Section 6.07, the term "Fair Market Value" shall mean the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (iii) the investment is a United States Treasury Security -- State and Local Government Series which is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which accurate entries shall be made of all transactions of the Trustee relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an

additional individual or institution as a separate co-trustee. The following provisions of this Section 6.09 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them; provided, however, in no event shall the Trustee be responsible or liable for the acts or omissions of any co-trustee.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engaged in or be interested in any financial or other transaction with the Successor Agency.

## ARTICLE VII

### MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption and, but without the consent of the Owners, to the extent permitted by law and only for any one or more of the following purposes-

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any Bonds, in the opinion of Bond Counsel; or

(d) to amend the Recognized Obligation Debt Service Payment Schedule set forth in Exhibit B to take into account the redemption of any Bond prior to its maturity; or

(e) to provide for the issuance of Parity Debt pursuant to a Supplemental Indenture, as such issuance is authorized by Section 5.02.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee shall be entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter

be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

Section 7.05. Trustee's Reliance. The Trustee may conclusively rely, and is protected in relying, upon a Certificate of the Successor Agency and an opinion of Bond Counsel stating that all requirements of this Indenture relating to the amendment or modification hereof have been satisfied and that such amendments or modifications do not materially adversely affect the interests of the Bondowners.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal (including any mandatory sinking fund redemption amount) of or interest on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds or any Parity Debt Instrument contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 30 day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency within such 30 day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section and is continuing, the Trustee may, or if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bondowners in law or at equity.

Upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the

Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to the Owners of all Bonds then Outstanding, and the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal (including any mandatory sinking fund redemption amount) and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal (including any mandatory sinking fund redemption amount) and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal (including any mandatory sinking fund redemption amount) and interest without preference or priority of principal over interest, or interest over principal (including any mandatory sinking fund redemption amount), or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this

Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however,* the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

## ARTICLE IX

### MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Defeasance of Bonds. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and redemption premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable; or

(ii) by irrevocably depositing with the Trustee in trust or an escrow agent in an irrevocable escrow, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, redemption premium (if any) and interest, or;

(iii) by irrevocably depositing with the Trustee in trust or an escrow agent in an irrevocable escrow, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, redemption premium (if any) and interest) at or before maturity; or

(iv) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due

thereon and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency for deposit in the Redevelopment Retirement Obligation Fund.

In connection with the defeasance of Bonds under this Section 9.03, the Successor Agency shall enter into an escrow agreement with the Trustee or other fiduciary which shall provide that:

- (a) Any substitution of securities shall require the delivery of Verification Report and an opinion of Bond Counsel that such substitution will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes.
- (b) If applicable, the Successor Agency will not exercise any prior optional redemption of Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds (if any), and (ii) as a condition to any such redemption the Successor Agency has delivered to the Trustee a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or



declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Chief Financial Officer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Chief Financial Officer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest and premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium (if any) and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the Successor Agency for the payment of the principal of and interest and premium (if any) on of such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Bondowner Representative. Notwithstanding any other provision of this Indenture, the Bondowner Representative shall act as the representative of the owners of the Bonds for purposes of providing consent, directing the Trustee upon the occurrence and during the existence of an Event of Default and taking all other actions relating to the Bonds.

Section 9.13. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE CITY OF CAMPBELL REDEVELOPMENT AGENCY, has caused this Indenture to be signed in its name by the Executive Director of the City and attested by the Deputy City Clerk, and \_\_\_\_\_ in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**CITY OF CAMPBELL SUCCESSOR  
AGENCY**

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Deputy City Clerk

\_\_\_\_\_,  
*as Trustee*

By: \_\_\_\_\_  
Authorized Officer



by the Trustee (the "Corporate Trust Office"); provided, however, that sinking fund redemption payments may be made to the registered owner of the Bond without the surrender of the Bond by the registered owner. Interest hereon (including the final interest payment upon maturity or earlier redemption hereof) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds" (the "Bonds"), of an aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, and other provisions) and all issued pursuant to the provisions of (i) Part 1 of Division 24 of the Health and Safety Code of the State, as amended and supplemented by the provisions of Assembly Bill X1 26, as amended by Assembly Bill 1484, signed by the Governor on June 27, 2012, and filed with the Secretary of State on June 27, 2012 (the "Law"), (ii) Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law") and (iii) an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds.

Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law (as defined in the Indenture) and the Refunding Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to refinance certain redevelopment activities undertaken with respect to redevelopment Project Area (the "Project Area"), to fund a debt service reserve fund for the Bonds and to pay certain expenses of the Successor Agency in issuing the Bonds.

There has been created under the Dissolution Act (as defined in the Indenture) the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the Bonds. As and to the extent set forth in the Indenture, all such Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law, for the security and payment of the principal of, and for the security and payment of interest and redemption premium, if any, on, the Bonds. In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Redevelopment Obligation Retirement Fund, the Debt Service Fund, the Interest Account, the Principal Account and the Reserve Account (as such terms are defined in the Indenture). Except for the Tax

Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest and redemption premium, if any, on the Bonds.

[The Bonds maturing on or before October 1, 2026, are not subject to optional redemption prior to maturity. The Bonds maturing on and after October 1, 2027, are subject to redemption, at the option of the Successor Agency on any date on or after October 1, 2026, as a whole or in part, by such maturities as shall be determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.]

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Indenture.

The Bonds are subject to mandatory redemption in whole, or in part by lot, on October 1 and April 1 in each year, commencing \_\_\_\_\_ 1, 2016, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on the dates in the respective years as set forth in the following table.

<u>Mandatory Sinking Fund</u> <u>Redemption Date</u>	<u>Amount</u>
---------------------------------------------------------	---------------

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in Authorized Denominations (as defined in the Indenture). Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds Authorized Denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any Authorized Denomination, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premium (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of the registered owner to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt of the City of Campbell, the County of Santa Clara, the State of California, or any of its political subdivisions, and neither said City, said County, said State, nor any of its political subdivisions (other than the Successor Agency to the extent described in the Indenture) is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law, the Refunding Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law, the Refunding Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the City of Campbell Successor Agency has caused this Bond to be executed in its name and on its behalf with the facsimile signature of the City Manager and attested by the facsimile signature of the City Clerk, all as of the Dated Date set forth above.

CITY OF CAMPBELL SUCCESSOR  
AGENCY

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

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

\_\_\_\_\_  
as Trustee

By: \_\_\_\_\_  
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties		(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____	(State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED  
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name, Address and Tax Identification or Social Security Number of Assignee)  
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)  
\_\_\_\_\_ attorney,  
to transfer the same on the registration books of the Trustee with full power of substitution in the  
premises.

Dated: \_\_\_\_\_

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

**EXHIBIT B**

**RECOGNIZED OBLIGATION DEBT SERVICE PAYMENT SCHEDULE  
FOR THE BONDS**

<b>Period Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service Payment</b>
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**EXHIBIT C**  
**REDEVELOPMENT PLAN**

Project Area	Ord. #	Date of Adoption
<b><i>Central Campbell Redevelopment Project Area</i></b>	1461	6/21/83
	1830	1/15/91
	1860	1/16/92
	1912	12/6/94
	2028	2/18/03

## EXHIBIT D

### OUTSTANDING PRIOR OBLIGATIONS

\$15,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2002 A, issued pursuant to an Indenture of Trust, dated as of September 1, 1999, as supplemented by a First Supplement to Indenture of Trust, dated as of July 1, 2002.

\$12,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2005A, pursuant to the Master Indenture, as supplemented by a Second Supplement to Indenture of Trust, dated as of May 15, 2005.

An obligation to repay an advance made by the City of Campbell to the Former Agency, pursuant to a Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002, by and between the City and the Successor Agency, which repayments are payable directly to (A) U.S. Bank National Association, as trustee, with respect to the \$13,480,000 1997 Refunding Certificates of Participation (Civic Center Project) and (B) U.S. Bank National Association, as trustee with respect to the \$11,930,843.30 2002 Refunding Certificates of Participation (Civic Center Project).

**EXHIBIT E**  
**FORM OF INVESTOR LETTER**

City of Campbell Successor Agency  
70 North First Street  
Campbell, CA 9508  
Attention: City Manager

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Re: City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds

Ladies and Gentlemen:

The City of Campbell Successor Agency (the "Issuer") has issued the above-referenced bonds (the "Bonds"). Capitalized terms used in this letter but not defined have the meaning given them in the Indenture of Trust, dated as of \_\_\_ 1, 2016 (the "Indenture"), by and between the Issuer and \_\_\_\_\_ (the "Trustee"), relating to the Bonds.

In connection with our purchase on the date hereof of certain of the Bonds, the undersigned (the "Bond Purchaser") hereby represents, warrants and agrees as follows:

- (a) The Bond Purchaser acknowledges that the Bonds have not been registered under the Securities Act of 1933, as amended (the "Securities Act") or under any state securities laws.
- (b) The Bond Purchaser is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act, or a "qualified institutional buyer" as such term is defined in Rule 144A promulgated under the Securities Act.
- (c) The Bond Purchaser has sufficient knowledge and experience in financial and business matters and in investments of this type, including, but not limited to, the purchase and ownership of municipal bonds and other obligations similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Bond Purchaser is able to bear the economic risks of such an investment.
- (d) The Bond Purchaser purchasing the Bonds pursuant to an exemption from registration under the Securities Act for not more than one account for investment purposes and not with a view to distributing the Bonds;
- (e) The Bond Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Bond Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(f) The Bond Purchaser (i) has conducted its own independent inquiry, examination and analysis with respect to the Bonds, (ii) has had an opportunity to ask questions of and receive answers from the Issuer, the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing, (iii) has been provided by the Issuer with all documents and information regarding the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing that it has requested, and (iv) the Bond Purchaser has been provided with information sufficient to allow the Bond Purchaser to make an informed decision to purchase the Bonds.

(g) The Bond Purchaser has conducted a review of the business and affairs of the Issuer that it considered sufficient and reasonable for purposes of making its investment in the Bonds.

(h) The Bond Purchaser (i) is not relying upon the Issuer, or any of its affiliates, officers, employees or agents, for advice as to the merits and risks of investment in the Bonds, and (ii) has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(i) The Bond Purchaser understands and acknowledges (i) that the offering of the Bonds is not subject to the requirements of the Securities Act or Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, and (ii) that the Issuer has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Bonds and has not undertaken to provide to or for the benefit of holders of the Bonds financial or operating data or any other information with respect to the Bonds on an ongoing basis.

(j) The Bond Purchaser is able to bear the economic risk of the investment represented by its purchase of the Bonds.

(k) In the event that the Bond Purchaser wishes to sell the Bonds in the future, the Bond Purchaser agrees and acknowledges that the Bonds cannot be sold without complying with transfer restrictions set forth in the Indenture, including but not limited to, registration under the Securities Act or an exemption therefrom and providing for execution and delivery by the proposed transferee of a letter in substantially the form of this letter. The Bond Purchaser hereby agrees to assume the responsibility for disclosure of all material information that may be necessary to comply with all federal and related state securities laws in connection with such sale.

## ESCROW DEPOSIT AND TRUST AGREEMENT

THIS ESCROW DEPOSIT AND TRUST AGREEMENT (the "Agreement") is dated as of \_\_\_\_\_ 1, 2016 in connection with the issuance of the City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds (the "Tax Allocation Bonds") and the Campbell Joint Public Finance Authority 2016 Refunding Lease Revenue Bonds (the "Lease Revenue Bonds" and together with the Tax Allocation Bonds, the "Bonds") and is entered into by and among the CITY OF CAMPBELL, a municipal corporation organized and existing under the laws of the State, the CITY OF CAMPBELL SUCCESSOR AGENCY (herein the "Successor Agency"), a public entity, duly organized and existing under and by virtue of the Constitution and laws of the State of California, the CAMPBELL JOINT PUBLIC FINANCE AUTHORITY (the "Authority"), a joint exercise of powers authority organized and existing under the laws of the State, and U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent (the "Escrow Agent"), a national banking association having a corporate trust office in California.

### WITNESSETH:

WHEREAS, the City of Campbell Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Redevelopment Law"); and

WHEREAS, the Former Agency previously issued the 2002 Bonds and the 2005 Bonds, pursuant to the Master Indenture (as defined in Exhibit A), as supplemented, and incurred an obligation to repay the Advancement pursuant to the Indebtedness Agreement (as defined in Exhibit A), which Advancement relates to the 1997 Certificates and a portion of the 2002 Certificates (collectively, the "Prior Obligations;" not including the capital appreciation 2002 Certificates, which will not be prepaid as a result of the prepayment of the Advancement and are not subject to prepayment prior to maturity, the "Covered Prior Obligations"); and

WHEREAS, Assembly Bill x1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012, codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act");

WHEREAS, pursuant to Section 34172(a) of the Dissolution Act, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Dissolution Act, the Successor Agency has become the successor entity to the Former Agency;

WHEREAS, the Successor Agency, by its Resolution No. \_\_\_\_\_ adopted on \_\_\_\_\_, 2016 (the "Successor Agency Resolution of Issuance") has authorized the issuance of the Tax Allocation Bonds, and therein determined to use the proceeds of the Tax Allocation Bonds to retire, in advance of their stated maturities, the 2002 Bonds, the 2005 Bonds and the Advancement (which will result in the defeasance and prepayment of a portion of the 1997 Certificates to be prepaid and a portion of the 2002 Certificates to be prepaid), all as described in the Successor Agency Resolution of Issuance; and

WHEREAS, the City, by its Resolution No. \_\_\_\_\_, and the Authority, by its Resolution No. \_\_\_\_\_, each adopted on \_\_\_\_\_, 2016 (collectively, the "Lease Resolutions of Issuance"),

have authorized the issuance of the Lease Revenue Bonds, and therein determined to use the proceeds of the Lease Revenue Bonds to prepay the portion of the 1997 Certificates that is not prepaid as a result of the Advancement and the portion of the 2002 Certificates to be prepaid that will not be prepaid as a result of the prepayment of the Advancement, all as described in the Lease Resolutions of Issuance; and

WHEREAS, the City, the Authority and the Successor Agency wish to enter into this Agreement to provide for the proceeds of sale of the Bonds, together with other funds held with respect to the Covered Prior Obligations, to be deposited in an irrevocable special escrow fund created and maintained with the Escrow Agent for the purpose of providing for the payment in full of the principal, interest and redemption premium, if any, on the outstanding Covered Prior Obligations; and

WHEREAS, the Escrow Agent has full powers to act with respect to said escrow fund and to perform the duties and obligations to be undertaken pursuant to this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth and for other valuable consideration, the City, the Authority, the Successor Agency and the Escrow Agent agree as follows:

Section 1. Establishment of Escrow Funds; Deposit of Funds. The City, the Authority and the Successor Agency hereby appoint the Escrow Agent to act as escrow agent for purposes of administering the funds required to redeem and defease the Covered Prior Obligations in accordance with the Prior Agreements. A special fund to be named the "Escrow Fund" is hereby established by the Escrow Agent as an irrevocable escrow to be maintained by the Escrow Agent in trust.

The Escrow Agent shall deposit in the Escrow Fund (A) on the date of issuance of the Bonds, certain proceeds of the Tax Allocation Bonds (in the amount of \$\_\_\_\_\_) transferred to it by \_\_\_\_\_, as trustee of the Bonds (the "Trustee"), (B) on the date of issuance of the Lease Revenue Bonds, certain proceeds of the Lease Revenue Bonds (in the amount of \$\_\_\_\_\_) transferred to it by the Trustee and [(C) on the date of issuance of the Bonds, certain other funds related to the Covered Prior Obligations in the amount of \$\_\_\_\_\_ (all as set forth in Exhibit B hereto), some of which will be transferred by the City, some of which will be transferred by the Successor Agency and some of which will be transferred to it by U.S. Bank National Association, in its capacities as trustee for the 2002 Bonds, the 2005 Bonds the 1997 Certificates and the 2002 Certificates (in such capacities, the "Prior Obligations Trustee")]. The Prior Obligations Trustee is hereby directed by the City and the Successor Agency to transfer such amounts held by it as set forth in such Exhibit B to the Escrow Agent for deposit as provided herein.

If at any time the Escrow Agent shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required hereunder, the Escrow Agent shall notify the City and the Successor Agency to such fact and the City or the Successor Agency shall promptly cure such deficiency. The Escrow Agent shall not be liable for any such deficiency.

Section 2. Investment of Amounts in Escrow Fund. [The Escrow Agent shall hold all amounts on deposit in the Escrow Fund uninvested.]

Section 3. Application of Amounts in Escrow Fund. The Escrow Agent is hereby instructed to withdraw from the Escrow Fund and transfer to the Prior Obligations Trustee an amount required to pay the principal of and interest and redemption premium on the Covered Prior Obligations, in accordance with the schedule attached as Exhibit C hereto.

Section 4. Notice of Refunding; Notice of Defeasance. The Prior Obligations Trustee was previously instructed to mail pursuant to the Master Indenture and the Indebtedness Agreement, and with respect to the proposed redemption or prepayment of the Covered Prior Obligations on \_\_\_\_\_, a notice of redemption or prepayment to the owners of the Covered Prior Obligations and any insurer of such Covered Prior Obligations substantially in the forms attached hereto as Exhibit D-1 through D-4. The Escrow Agent is hereby instructed to file on the Closing Date the notices attached hereto as Exhibit E-1 through E-4 on the Municipal Securities Rulemaking Board's EMMA System.

Section 5. Records. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money accruing to the Escrow Agent hereunder, and such books shall be available for inspection at reasonable hours and under reasonable conditions with reasonable prior notice by the owners of the Covered Prior Obligations and the Bonds.

Section 6. Proper Filings. The Successor Agency will, at its expense, execute, acknowledge, deliver or file this Agreement and assignments, transfers, financing statements, continuation statements, and assurances required for the better assuring, conveying, pledging, assigning and confirming unto the Escrow Agent, the moneys hereby pledged, or intended so to be or which the City, the Authority or the Successor Agency may be or may hereafter become bound to pledge, convey or assign to the Escrow Agent or for carrying out the intention or facilitating the performance of the terms of this Agreement.

Section 7. Discharge. The covenants, liens and pledges entered into, created or imposed pursuant to this Agreement shall be fully discharged, and satisfied when all of the Covered Prior Obligations shall have been paid in full, as to principal, premium and interest. Upon such discharge and satisfaction this Agreement shall cease, terminate and become null and void, and thereupon the Escrow Agent shall, upon the written request of the City, the Authority or the Successor Agency, forthwith execute proper instruments acknowledging satisfaction and discharge of this Agreement.

Section 8. Termination; Unclaimed Funds. Notwithstanding any other provision of this Agreement any money held by the Prior Obligations Trustee for the payment of the principal of, premium and interest on the Covered Prior Obligations and remaining unclaimed for two (2) years after the principal of all of the Covered Prior Obligations shall have been called for redemption and after the date of redemption shall then be repaid to the City or the Successor Agency upon its written request, and the registered owners of the Covered Prior Obligations shall thereafter be entitled to look only to the City and the Successor Agency for the repayment thereof, and liability of the Escrow Agent with respect to such money shall thereupon cease. In the event of the repayment of any such money to the City or the Successor Agency as aforesaid, the registered owners of the Covered Prior Obligations secured hereby with respect to which such money was deposited shall thereafter be deemed to be unsecured creditors of the City or the Successor Agency, without interest. Notwithstanding the foregoing the Escrow Agent shall, upon the written request of the City or the Successor Agency repay such money to the City or the Successor Agency at any time earlier than two (2) years, if failure to repay such

money to the City or the Successor Agency, within such earlier period shall give rise to the operation of any escheat statute under applicable State law. Any unclaimed funds repaid to the City or the Successor Agency with respect to the Covered Prior Obligations shall be placed by the City or the Successor Agency in the Redemption Fund for Bonds and used for credit on debt service on the Bonds.

*Section 9. No Implied Duties; No Rights to Others.* Nothing in this Agreement expressed or implied is intended or shall be construed to give to any person other than the City, the Authority, the Successor Agency, the Escrow Agent, the Prior Obligations Trustee and the registered owners of the Covered Prior Obligations, any legal or equitable right, remedy or claim under or in respect to this Agreement or any covenants, conditions or provisions therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the City, the Authority, the Successor Agency, the Escrow Agent and the Owners of the Covered Prior Obligations. The Escrow Agent shall perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

*Section 10. Immunities and Liabilities of Escrow Agent.*

(A) The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under this Agreement.

(B) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the City or the Successor Agency) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

(C) The Escrow Agent shall not be responsible for any of the recitals or representations contained herein or in the Resolution of Issuance.

(D) The Escrow Agent may become the owner of, or acquire any interest in, any of the Covered Prior Obligations with the same rights that it would have if it were not the Escrow Agent, and may engage or be interested in any financial or other transaction with the City, the Authority or the Successor Agency.

(E) The Escrow Agent shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest or premiums, if any, on the Covered Prior Obligations and shall not be liable for any insufficiency of such moneys and securities to affect such payment.

(F) The Escrow Agent shall not be liable for any action or omission of the City, the Authority or the Successor Agency under this Agreement or the Resolution of Issuance.

(G) Whenever in the administration of this Agreement the Escrow Agent shall deem it necessary or desirable that a matter be proved or established before taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a

certificate of an authorized official of the City, the Authority or the Successor Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

(H) The Escrow Agent may at any time resign by giving written notice to the City, the Authority or the Successor Agency to such resignation. The City, the Authority or the Successor Agency shall promptly appoint a successor Escrow Agent by the resignation date. Resignation of the Escrow Agent will be effective only upon acceptance of appointment by a successor Escrow Agent. If the City, the Authority and the Successor Agency do not appoint a successor, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of an Escrow Agent, the City, the Authority or the Successor Agency may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the City, the Authority and the Successor Agency appoint a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the Successor Agency, shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

(I) The City and the Successor Agency agree to indemnify the Escrow Agent, its agents and its officers or employees for and to hold the Escrow Agent, its agents, officers or employees harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable fees and disbursements of counsel, including in-house counsel, for the Escrow Agent) which may be imposed on, incurred by, or asserted against the Escrow Agent at any time by reason of the performance of its duties as Escrow Agent hereunder and under the Resolution of Issuance, in any transaction arising out of this Agreement or the Bond Resolution or any of the transactions contemplated herein or in the Resolution of Issuance, unless due to the Escrow Agent's or its officers' or employees' or agents' negligence or willful misconduct. Such indemnity shall survive the termination of this Agreement or resignation or removal of the Escrow Agent.

(J) All notices, certificates or other communications hereunder with the Escrow Agent shall be addressed to the Escrow Agent at:

U.S. Bank National Association

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Section 11. Waiver of Notice.* Whenever in this Agreement the giving of notice by mail or otherwise shall be required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

*Section 12. Fees.* The Escrow Agent's fees, expenses and reimbursement for costs incurred, for and in carrying out the provisions of this Agreement have been fixed by separate agreement. The Escrow Agent shall also be entitled to additional fees, expenses and reimbursement for costs incurred in connection with the performance of its duties and exercise

of its powers hereunder, including but not limited to legal and accounting services, in connection with any litigation which may at any time be instituted involving this Agreement. The fees incurred by the Escrow Agent shall in no event be deducted from the Escrow Fund.

*Section 13. Severability.* In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provisions has never been contained herein.

*Section 14. Counterparts.* This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and such counterparts, or as many of them as the Agency and the Escrow Agent shall preserve undestroyed, shall together constitute but one and the same instrument.

*Section 15. Business Days.* Whenever any act is required by this Agreement to be done on a specified day or date, and such day or date shall be a day other than a business day, then such act may be done on the next succeeding business day.

*Section 16. California Law.* This Agreement shall be governed exclusively by and interpreted in accordance with, the laws of the State of California.

IN WITNESS WHEREOF, the City, the Authority, the Successor Agency and the Escrow Agent have each caused this Agreement to be executed by the duly authorized officers thereof as of the date first above written.

**CITY OF CAMPBELL**

By: \_\_\_\_\_  
City Manager

**CAMPBELL JOINT PUBLIC FINANCE  
AUTHORITY**

By: \_\_\_\_\_  
Chair

**CITY OF CAMPBELL SUCCESSOR AGENCY**

By: \_\_\_\_\_  
City Manager

**U.S. BANK NATIONAL ASSOCIATION,**  
*as Escrow Agent*

By: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGEMENT OF U.S. BANK NATIONAL ASSOCIATION,  
AS PRIOR OBLIGATIONS TRUSTEE**

U.S. Bank National Association, as Prior Obligations Trustee, hereby acknowledges the provisions of this Agreement and, to the extent such provisions are applicable, U.S. Bank National Association, in its capacity as Prior Obligations Trustee, agrees to comply therewith.

**U.S. BANK NATIONAL ASSOCIATION,**  
*as Prior Obligations Trustee*

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**PRIOR OBLIGATIONS**

Obligation	Redemption Terms
<p>\$15,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2002A (the "2002 Bonds"), issued pursuant to an Indenture of Trust, dated as of September 1, 1999, as supplemented by a First Supplemental Indenture of Trust, dated as of July 1, 2002, by and between the Redevelopment Agency of the City of Campbell and U.S. Bank National Association, as trustee (the "Master Indenture").</p>	<p>In whole or in part on any date on or after October 1, 2011, without premium</p>
<p>\$12,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2005A (the "2005 Bonds"), issued pursuant to the Master Indenture, as supplemented by a Second Supplemental Indenture of Trust, dated as of May 15, 2005, by and between the City of Campbell Redevelopment Agency and U.S. Bank National Association, as trustee.</p>	<p>In whole or in part on any date on or after October 1, 2015, without premium.</p>
<p>A repayment obligation (the "Advancement"), pursuant to the Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002 (the "Indebtedness Agreement"), by and between the City and the Successor Agency, which Advancement relates to (i) \$13,480,000 1997 Refunding Certificates of Participation (the "1997 Certificates"), which were executed and delivered pursuant to a Trust Agreement, dated as of October 1, 1997 (the "1997 Trust Agreement"), by and among the City, the Successor Agency and U.S. Bank National Association, as successor trustee, and (ii) \$11,930,843.30 2002 Refunding Certificates of Participation (the "2002 Certificates"), a portion of which are current interest certificates and a portion of which are capital appreciation certificates, which were executed and delivered pursuant to a Trust Agreement, dated as of July 1, 2002 (the "2002 Trust Agreement"), by and among the City, the Successor Agency and U.S. Bank National Association, as trustee.</p>	<p>The 1997 Certificates are subject to prepayment in whole on any date on or after October 1, 2009, without premium.</p> <p>The current interest 2002 Certificates are subject to prepayment in whole on any date on or after October 1, 2013, without premium.</p> <p>The capital interest 2002 Certificates are not subject to prepayment prior to maturity.</p>

**EXHIBIT B**  
**FUNDS TRANSFERRED TO**  
**ESCROW FUND**

**2002 Bonds**

<b><u>Fund</u></b>	<b><u>Amount</u></b>
Total	<hr/>

**2005 Bonds**

<b><u>Fund</u></b>	<b><u>Amount</u></b>
Total	<hr/>

**1997 Certificates**

<b><u>Fund</u></b>	<b><u>Amount</u></b>
Total	<hr/>

**2002 Certificates**

<b><u>Fund</u></b>	<b><u>Amount</u></b>
Total	<hr/>

**EXHIBIT C**

**PAYMENT AND REDEMPTION SCHEDULE OF PRIOR OBLIGATIONS**

**2002 Bonds**

<b><u>Payment Date</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Total Payment</u></b>
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**2005 Bonds**

<b><u>Payment Date</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Total Payment</u></b>
--------------------------------	------------------------	-------------------------	--------------------------------------	---------------------------------

**1997 Certificates**

<b><u>Payment Date</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Total Payment</u></b>
--------------------------------	------------------------	-------------------------	--------------------------------------	---------------------------------

**2002 Certificates**

<b><u>Payment Date</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Principal Redeemed</u></b>	<b><u>Total Payment</u></b>
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**EXHIBIT D-1**

**FORM OF CONDITIONAL NOTICE OF FULL OPTIONAL REDEMPTION**

**City of Campbell Redevelopment Agency  
Central Campbell Redevelopment Project  
Tax Allocation Bonds, Series 2002A**

**Date of Issuance: July 10, 2002**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$205,000	5.200%	134121 AS1
10/01/17	215,000	5.375	134121 AT9
10/01/18	225,000	5.400	134121 AU6
10/01/27	2,865,000	5.800	134121 AW2
10/01/33	5,000,000	6.000	134121 AV4

NOTICE IS HEREBY GIVEN that all of the above described bonds (the "Bonds") have been called for optional redemption on \_\_\_\_\_ (the "Redemption Date") pursuant to Section 10.04(a) of an Indenture of Trust, dated as of September 1, 1999, as supplemented by a First Supplemental Indenture of Trust, dated as of July 1, 2002, by and between the City of Campbell Successor Agency, as successor to the City of Campbell Redevelopment Agency, and U.S. Bank National Association, as trustee (the "Trustee"), at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium (the "Redemption Price"). Interest will not accrue on the Bonds after the redemption date.

Redemption of the Bonds as described in this notice shall be conditioned upon the receipt by the Trustee of the proceeds of the sale and delivery of the (i) Campbell Joint Public Finance Authority 2016 Refunding Lease Revenue Bonds and the (ii) City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds in an amount sufficient for such redemption on or before the Redemption Date.

In the event such funds are not received by the Redemption Date, this notice shall be null and void and of no force and effect. The Bonds delivered for redemption shall be returned to the respective owners thereof, and said Bonds shall remain outstanding as though this notice of conditional redemption had not been given. Notice of a failure to receive funds, and cancellation of this redemption, shall be given by the Trustee by first class mail, postage prepaid, to the registered owners of the Bonds.

Payment of the Redemption Price on the Bonds called for redemption will be paid upon presentation of the Bonds at the Principal Corporate Trust Office of the Trustee, in the following manner:

**Delivery Instructions:**

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Ave E  
St. Paul, MN 55107

**IMPORTANT NOTICE**

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

*\*The Undersigned shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for the convenience of the Holders.*

**Dated: \_\_\_\_\_, 2016**

**U.S. Bank National Association,  
as Trustee**

**EXHIBIT D-2**

**FORM OF CONDITIONAL NOTICE OF FULL OPTIONAL REDEMPTION**

**City of Campbell Redevelopment Agency  
Central Campbell Redevelopment Project  
Tax Allocation Bonds, Series 2005A**

**Date of Issuance: May 25, 2005**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$150,000	3.875%	134121 BJ0
10/01/17	160,000	4.000	134121 BK7
10/01/18	165,000	4.000	134121 BL5
10/01/19	400,000	4.000	134121 BM3
10/01/20	415,000	4.250	134121 BN1
10/01/21	435,000	4.250	134121 BP6
10/01/27	3,085,000	5.000	134121 BQ4
10/01/32	6,060,000	5.000	134121 BR2

NOTICE IS HEREBY GIVEN that all of the above described bonds (the "Bonds") have been called for optional redemption on \_\_\_\_\_ (the "Redemption Date") pursuant to Section 11.04(a) of an Indenture of Trust, dated as of September 1, 1999, as supplemented by a Second Supplement to Indenture of Trust, dated as of May 15, 2005, by and between the City of Campbell Successor Agency, as successor to the City of Campbell Redevelopment Agency, and U.S. Bank National Association, as trustee (the "Trustee"), at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium (the "Redemption Price"). Interest will not accrue on the Bonds after the redemption date.

Redemption of the Bonds as described in this notice shall be conditioned upon the receipt by the Trustee of the proceeds of the sale and delivery of the (i) Campbell Joint Public Finance Authority 2016 Refunding Lease Revenue Bonds and (ii) City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds in an amount sufficient for such redemption on or before the Redemption Date.

In the event such funds are not received by the Redemption Date, this notice shall be null and void and of no force and effect. The Bonds delivered for redemption shall be returned to the respective owners thereof, and said Bonds shall remain outstanding as though this notice of conditional redemption had not been given. Notice of a failure to receive funds, and cancellation of this redemption, shall be given by the Trustee by first class mail, postage prepaid, to the registered owners of the Bonds.

Payment of the Redemption Price on the Bonds called for redemption will be paid upon presentation of the Bonds at the Principal Corporate Trust Office of the Trustee, in the following manner:

**Delivery Instructions:**

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Ave E  
St. Paul, MN 55107

**IMPORTANT NOTICE**

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

*\*The Undersigned shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Redemption Notice. It is included solely for the convenience of the Holders.*

**Dated: \_\_\_\_\_, 2016**

**U.S. Bank National Association,  
as Trustee**

EXHIBIT D-3

FORM OF CONDITIONAL NOTICE OF FULL OPTIONAL PREPAYMENT

City of Campbell  
1997 Refunding Certificates of Participation  
(Redevelopment Refunding Project),

Date of Execution and Delivery: October 15, 1997

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/19	\$1,340,000	5.125%	134111 DK6
10/01/28	11,360,000	5.250	134111 DH3

NOTICE IS HEREBY GIVEN that all of the above described certificates of participation (the "Certificates") have been called for optional prepayment on \_\_\_\_\_ (the "Redemption Date") pursuant to Section 3.01 of the Trust Agreement, dated as of October 1, 1997, by and among the City of Campbell, the City of Campbell Redevelopment Agency, and U.S. Bank National Association as successor in interest to U.S. Bank National Association, as successor trustee (the "Trustee"), at a prepayment price equal to the principal amount thereof, plus accrued interest to the prepayment date, without premium (the "Prepayment Price"). Interest will not accrue with respect to the Certificates after the prepayment date.

Prepayment of the Certificates as described in this notice shall be conditioned upon the receipt by the Trustee of the proceeds of the sale and delivery of the (i) Campbell Joint Public Finance Authority 2016 Refunding Lease Revenue Bonds and (ii) City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds in an amount sufficient for such prepayment on or before the Prepayment Date.

In the event such funds are not received by the Prepayment Date, this notice shall be null and void and of no force and effect. The Certificates delivered for prepayment shall be returned to the respective owners thereof, and said Certificates shall remain outstanding as though this notice of conditional prepayment had not been given. Notice of a failure to receive funds, and cancellation of this prepayment, shall be given by the Trustee by first class mail, postage prepaid, to the registered owners of the Certificates.

Payment of the Prepayment Price on the Certificates called for prepayment will be paid upon presentation of the Certificates at the Principal Corporate Trust Office of the Trustee, in the following manner:

**Delivery Instructions:**

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Ave E  
St. Paul, MN 55107

**IMPORTANT NOTICE**

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

*\*The Undersigned shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Prepayment Notice. It is included solely for the convenience of the Holders.*

Dated: \_\_\_\_\_, 2016

**U.S. Bank National Association,  
as Trustee**

**EXHIBIT D-4**

**FORM OF CONDITIONAL NOTICE OF PARTIAL OPTIONAL PREPAYMENT**

**City of Campbell  
2002 Refunding Certificates of Participation  
(Redevelopment Refunding Project),**

**Date of Execution and Delivery: July 10, 2002**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$770,000	4.500%	134111 EA7
10/01/17	805,000	4.625	134111 EB5
10/01/18	845,000	4.750	134111 EC3

NOTICE IS HEREBY GIVEN that all of the above described current interest certificates of participation (the "Current Interest Certificates") have been called for optional prepayment on \_\_\_\_\_ (the "Redemption Date") pursuant to Section 3.01 of the Trust Agreement, dated as of July 1, 2002, by and among the City of Campbell, the City of Campbell Redevelopment Agency, and U.S. Bank National Association, as trustee (the "Trustee"), at a prepayment price equal to the principal amount thereof, plus accrued interest to the prepayment date, without premium (the "Prepayment Price"). Interest will not accrue with respect to the Current Interest Certificates after the prepayment date. The capital appreciation certificates issued pursuant to the Trust Agreement are not being defeased and discharged

Prepayment of the Current Interest Certificates as described in this notice shall be conditioned upon the receipt by the Trustee of the proceeds of the sale and delivery of the (i) Campbell Joint Public Finance Authority 2016 Refunding Lease Revenue Bonds and the (ii) City of Campbell Successor Agency 2016 Tax Allocation Refunding Bonds in an amount sufficient for such prepayment on or before the Prepayment Date.

In the event such funds are not received by the Prepayment Date, this notice shall be null and void and of no force and effect. The Current Interest Certificates delivered for prepayment shall be returned to the respective owners thereof, and said Current Interest Certificates shall remain outstanding as though this notice of conditional prepayment had not been given. Notice of a failure to receive funds, and cancellation of this prepayment, shall be given by the Trustee by first class mail, postage prepaid, to the registered owners of the Current Interest Certificates.

Payment of the Prepayment Price on the Current Interest Certificates called for prepayment will be paid upon presentation of the Current Interest Certificates at the Principal Corporate Trust Office of the Trustee, in the following manner:

**Delivery Instructions:**

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Ave E  
St. Paul, MN 55107

**IMPORTANT NOTICE**

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified.

*\*The Undersigned shall not be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness indicated in the Prepayment Notice. It is included solely for the convenience of the Holders.*

Dated: \_\_\_\_, 2016

U.S. Bank National Association,  
as Trustee

**EXHIBIT E-1**

**FORM OF NOTICE OF DEFEASANCE**

**City of Campbell Redevelopment Agency  
Central Campbell Redevelopment Project  
Tax Allocation Bonds, Series 2002A**

**Date of Issuance: July 10, 2002**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$205,000	5.200%	134121 AS1
10/01/17	215,000	5.375	134121 AT9
10/01/18	225,000	5.400	134121 AU6
10/01/27	2,865,000	5.800	134121 AW2
10/01/33	5,000,000	6.000	134121 AV4

NOTICE IS HEREBY GIVEN, by the City of Campbell Successor Agency (the "Successor Agency") with respect to the above captioned bonds (the "Bonds"), that the Bonds have been defeased and discharged under and within the meaning of the Indenture of Trust authorizing the issuance of the Bonds (the "Indenture"). Funds for the payment of the Bonds have been deposited with U.S. Bank National Association, as escrow agent ("Escrow Agent"), and the sufficiency of the funds for the purpose of paying the principal of and interest on the Bonds has been verified by nationally recognized independent certified public accountant. As a consequence of the foregoing actions and in accordance with the Indenture, the Bonds are no longer secured by a pledge of revenues under the Indenture, and the Bonds are now payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the Successor Agency.

The Successor Agency has irrevocably elected to redeem all of the outstanding Bonds on \_\_\_\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

\*The Successor Agency and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

Dated: \_\_\_\_\_, 2016

\_\_\_\_\_,  
as Escrow Agent

**EXHIBIT E-2**

**FORM OF NOTICE OF DEFEASANCE**

**City of Campbell Redevelopment Agency  
Central Campbell Redevelopment Project  
Tax Allocation Bonds, Series 2005A**

**Date of Issuance: May 25, 2005**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$150,000	3.875%	134121 BJ0
10/01/17	160,000	4.000	134121 BK7
10/01/18	165,000	4.000	134121 BL5
10/01/19	400,000	4.000	134121 BM3
10/01/20	415,000	4.250	134121 BN1
10/01/21	435,000	4.250	134121 BP6
10/01/27	3,085,000	5.000	134121 BQ4
10/01/32	6,060,000	5.000	134121 BR2

NOTICE IS HEREBY GIVEN, by the City of Campbell Successor Agency (the "Successor Agency") with respect to the above captioned bonds (the "Bonds"), that the Bonds have been defeased and discharged under and within the meaning of the Indenture of Trust authorizing the issuance of the Bonds (the "Indenture"). Funds for the payment of the Bonds have been deposited with U.S. Bank National Association, as escrow agent ("Escrow Agent"), and the sufficiency of the funds for the purpose of paying the principal of and interest on the Bonds has been verified by a nationally recognized independent certified public accountant. As a consequence of the foregoing actions and in accordance with the Indenture, the Bonds are no longer secured by a pledge of revenues under the Indenture, and the Bonds are now payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the Successor Agency.

The Successor Agency has irrevocably elected to redeem all of the outstanding Bonds on \_\_\_\_\_, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

\*The Successor Agency and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

**Dated: \_\_\_\_\_, 2016**

**U.S. Bank National Association,  
as Escrow Agent**

**EXHIBIT E-3**

**FORM OF NOTICE OF DEFEASANCE**

**City of Campbell  
1997 Refunding Certificates of Participation  
(Redevelopment Refunding Project),**

**Date of Execution and Delivery: October 15, 1997**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/19	\$1,340,000	5.125%	134111 DK6
10/01/28	11,360,000	5.250	134111 DH3

NOTICE IS HEREBY GIVEN, by the City of Campbell Successor Agency (the "Successor Agency") with respect to the above captioned certificates of participation (the "Certificates"), that the Certificates have been defeased and discharged under and within the meaning of the Trust Agreement authorizing the execution and delivery of the Certificates (the "Trust Agreement"). Funds for the payment of the Certificates have been deposited with U.S. Bank National Association, as escrow agent ("Escrow Agent"), and the sufficiency of the funds for the purpose of paying the principal and interest with respect to the Certificates has been verified by an independent certified accountant. As a consequence of the foregoing actions and in accordance with the Trust Agreement, the Certificates are now payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the City.

The City has irrevocably elected to prepay all of the outstanding Certificates on \_\_\_\_\_, at a prepayment price equal to the principal amount thereof, plus accrued interest to the prepayment date, without premium.

\*The City and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Certificates. They are included solely for the convenience of the holders.

**Dated: \_\_\_\_\_, 2016**

**U.S. Bank National Association,  
as Escrow Agent**

**EXHIBIT E-4**

**FORM OF NOTICE OF PARTIAL DEFEASANCE**

**City of Campbell  
2002 Refunding Certificates of Participation  
(Redevelopment Refunding Project),**

**Date of Execution and Delivery: July 10, 2002**

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>*CUSIP No.</u>
10/01/16	\$770,000	4.500%	134111 EA7
10/01/17	805,000	4.625	134111 EB5
10/01/18	845,000	4.750	134111 EC3

NOTICE IS HEREBY GIVEN, by the City of Campbell Successor Agency (the "Successor Agency") with respect to the above captioned current interest certificates of participation (the "Current Interest Certificates"), that the Current Interest Certificates have been defeased and discharged under and within the meaning of the Trust Agreement authorizing the execution and delivery of the Current Interest Certificates (the "Trust Agreement"). Funds for the payment of the Current Interest Certificates have been deposited with U.S. Bank National Association, as escrow agent ("Escrow Agent"), and the sufficiency of the funds for the purpose of paying the principal and interest with respect to the Current Interest Certificates has been verified by an Independent Accountant (as defined in the Trust Agreement). As a consequence of the foregoing actions and in accordance with the Trust Agreement, the Current Interest Certificates are now payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the City. The capital appreciation certificates executed and delivered pursuant to the Trust Agreement are not being defeased and discharged.

The City has irrevocably elected to prepay all of the outstanding Current Interest Certificates on \_\_\_\_\_, at a prepayment price equal to the principal amount thereof, plus accrued interest to the prepayment date, without premium.

\*The City and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Current Interest Certificates. They are included solely for the convenience of the holders.

**Dated: \_\_\_\_\_, 2016**

**U.S. Bank National Association,  
as Escrow Agent**

**EXHIBIT A**  
**DEBT SERVICE SAVINGS ANALYSIS REPORT**  
**CITY OF CAMPBELL SUCCESSOR AGENCY**

**Bond Refunding Financing Plan**

2016 Tax Allocation Refunding Bonds

Refunding Bond Amount	\$22,705,000
Refunded Par Amount	\$25,583,790
Final Maturity	10/1/2033
Average Coupon of Refunding Bonds	3.26%
True Interest Cost	3.25%
Net Present Value Savings	\$4,322,929
Present Value Savings	16.90%
Nominal Savings	\$8,788,931
Average Annual Savings	\$516,996
Average Annual City Savings (13.2%)	\$68,065

\* Reflects 3.50% Interest Rate for 2002 and 2005 TABs.

Reflects 2.18% and 1.86% Interest Rate for 1997 and 2002 TABs portion of COP.

Assumes COI = \$210,000

Assumes: Conditional call notice mailed on 7/27/16 and a cash funded escrow.

SOURCES AND USES OF FUNDS

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

\*\*\*\*\*

Preliminary, subject to change  
 Private Placement

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Dated Date 08/03/2016  
 Delivery Date 08/03/2016

Sources:	Refunding of the TABS Series 2002A	Refunding of the TABS Series 2005A	Refunding of the TABS Portion of Series 1997 COP	Refunding of the TABS Portion of Series 2002 COP	Total
Bond Proceeds:					
Par Amount	7,115,000.00	9,710,000.00	5,195,000.00	685,000.00	22,705,000.00
Other Sources of Funds:					
Debt Service Fund	455,268.13	414,093.75	167,288.34	341,967.88	1,378,618.10
Debt Service Reserve Fund	1,212,031.78	1,043,797.24			2,255,829.02
	1,667,299.91	1,457,890.99	167,288.34	341,967.88	3,634,447.12
	8,782,299.91	11,167,890.99	5,362,288.34	1,026,967.88	26,339,447.12
Uses:					
Refunding Escrow Deposits:					
Cash Deposit	8,711,604.88	11,082,742.19	5,311,657.55	1,020,559.13	26,126,563.75
Delivery Date Expenses:					
Cost of Issuance	65,807.09	89,808.41	48,048.89	6,335.61	210,000.00
Other Uses of Funds:					
Additional Proceeds	4,887.94	-4,659.61	2,581.90	73.14	2,883.37
	8,782,299.91	11,167,890.99	5,362,288.34	1,026,967.88	26,339,447.12

Notes:

Assumes: 3.50% Interest Rate for 2002 and 2005 TABs.  
 Assumes: 2.18% and 1.86% Interest Rate for 1997 and 2002 TABs portion of COP.  
 Assumes: Cost of Issuance of \$210,000.  
 Assumes: Conditional call notice mailed on 7/27/16 and a cash funded escrow.

SUMMARY OF REFUNDING RESULTS

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

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Preliminary, subject to change  
 Private Placement

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	Refunding of the TABS Series 2002A	Refunding of the TABS Series 2005A	Refunding of the TABS Portion of Series 1997 COP	Refunding of the TABS Portion of Series 2002 COP	Total
Dated Date	08/03/2016	08/03/2016	08/03/2016	08/03/2016	08/03/2016
Delivery Date	08/03/2016	08/03/2016	08/03/2016	08/03/2016	08/03/2016
Arbitrage Yield	3.248740%	3.248740%	3.248740%	3.248740%	3.248740%
Escrow Yield					
Value of Negative Arbitrage					
Bond Par Amount	7,115,000.00	9,710,000.00	5,195,000.00	685,000.00	22,705,000.00
True Interest Cost	3.499309%	3.499275%	2.179641%	1.858886%	3.248740%
Net Interest Cost	3.500000%	3.500000%	2.180000%	1.860000%	3.262462%
Average Coupon	3.500000%	3.500000%	2.180000%	1.860000%	3.262462%
Average Life	11.559	10.882	7.653	1.665	10.077
Par amount of refunded bonds	8,510,000.00	10,870,000.00	5,201,910.00	1,001,880.00	25,583,790.00
Average coupon of refunded bonds	5.945979%	4.960095%	5.245816%	4.698750%	5.383559%
Average life of refunded bonds	12.032	11.096	7.951	1.192	10.380
PV of prior debt	10,890,686.14	12,722,268.06	6,005,147.56	1,034,251.97	30,652,353.73
Net PV Savings	1,949,193.50	1,335,639.94	1,013,686.77	24,409.04	4,322,929.25
Percentage savings of refunded bonds	22.904741%	12.287396%	19.486819%	2.436324%	16.897142%
Percentage savings of refunding bonds	27.395552%	13.755303%	19.512739%	3.563364%	19.039547%

SUMMARY OF BONDS REFUNDED

City of Campbell  
Refunding of the TABS Series 2002A

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
City of Campbell TABS Series 2002A, TABS_02:					
SERIAL	10/01/2016	5.200%	205,000.00	08/26/2016	100.000
	10/01/2017	5.375%	215,000.00	08/26/2016	100.000
	10/01/2018	5.400%	225,000.00	08/26/2016	100.000
TERM27	10/01/2027	5.800%	2,865,000.00	08/26/2016	100.000
TERM33	10/01/2033	6.000%	5,000,000.00	08/26/2016	100.000
			8,510,000.00		

## SUMMARY OF BONDS REFUNDED

City of Campbell  
Refunding of the TABS Series 2005A

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
City of Campbell Tax Allocation Bonds Series 2005 A, TABS 05:					
SERIAL	10/01/2016	3.875%	150,000.00	08/26/2016	100.000
	10/01/2017	4.000%	160,000.00	08/26/2016	100.000
	10/01/2018	4.000%	165,000.00	08/26/2016	100.000
	10/01/2019	4.000%	400,000.00	08/26/2016	100.000
	10/01/2020	4.250%	415,000.00	08/26/2016	100.000
	10/01/2021	4.250%	435,000.00	08/26/2016	100.000
TERM27	10/01/2027	5.000%	3,085,000.00	08/26/2016	100.000
TERM32	10/01/2032	5.000%	6,060,000.00	08/26/2016	100.000
			10,870,000.00		

SUMMARY OF BONDS REFUNDED

City of Campbell  
 Refunding of the TABS Portion of Series 1997 COP

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
1997 Refunding Certificates of Participation TABs Portion, TABS_97:					
TERM19	10/01/2019	5.125%	498,870.00	08/26/2016	100.000
TERM28	10/01/2028	5.250%	4,703,040.00	08/26/2016	100.000
			5,201,910.00		

SUMMARY OF BONDS REFUNDED

City of Campbell  
Refunding of the TABS Portion of Series 2002 COP

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
2002 Refunding Certificates of Participation TABs Portion, TABS_02C:					
SERIAL	10/01/2016	4.500%	318,780.00	08/26/2016	100.000
	10/01/2017	4.625%	333,270.00	08/26/2016	100.000
	10/01/2018	4.750%	349,830.00	08/26/2016	100.000
			1,001,880.00		

SAVINGS

City of Campbell  
Refunding of the TABS Series 2002A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/03/2016 @ 3.2487397%
10/01/2016	455,268.13	455,268.13				
10/01/2017	704,876.26		704,876.26	494,145.69	210,730.57	204,247.62
10/01/2018	703,320.00		703,320.00	491,850.00	211,470.00	199,034.75
10/01/2019	466,170.00		466,170.00	328,100.00	138,070.00	126,406.98
10/01/2020	466,170.00		466,170.00	324,775.00	141,395.00	125,329.63
10/01/2021	466,170.00		466,170.00	326,450.00	139,720.00	119,959.62
10/01/2022	876,170.00		876,170.00	612,950.00	263,220.00	217,438.64
10/01/2023	882,390.00		882,390.00	614,300.00	268,090.00	214,344.15
10/01/2024	876,870.00		876,870.00	610,125.00	266,745.00	206,441.94
10/01/2025	880,190.00		880,190.00	615,600.00	264,590.00	198,217.54
10/01/2026	881,770.00		881,770.00	615,375.00	266,395.00	193,155.27
10/01/2027	876,610.00		876,610.00	614,625.00	261,985.00	183,870.40
10/01/2028	880,000.00		880,000.00	613,350.00	266,650.00	181,107.67
10/01/2029	885,200.00		885,200.00	616,550.00	268,650.00	176,577.28
10/01/2030	883,000.00		883,000.00	614,050.00	268,950.00	171,066.25
10/01/2031	878,700.00		878,700.00	616,025.00	262,675.00	161,685.62
10/01/2032	887,300.00		887,300.00	617,300.00	270,000.00	160,800.06
10/01/2033	1,817,900.00		1,817,900.00	1,267,875.00	550,025.00	316,653.94
	14,768,074.39	455,268.13	14,312,806.26	9,993,445.69	4,319,360.57	3,156,337.34

Savings Summary

PV of savings from cash flow	3,156,337.34
Less: Prior funds on hand	-1,212,031.78
Plus: Refunding funds on hand	4,887.94
Net PV Savings	1,949,193.50

SAVINGS  
City of Campbell  
Refunding of the TABS Series 2005A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/03/2016 @ 3.2487397%
10/01/2016	414,093.75	414,093.75				
10/01/2017	682,375.00		682,375.00	549,603.61	132,771.39	128,466.36
10/01/2018	680,975.00		680,975.00	549,425.00	131,550.00	124,075.31
10/01/2019	909,375.00		909,375.00	731,900.00	177,475.00	161,624.32
10/01/2020	908,375.00		908,375.00	732,725.00	175,650.00	154,889.86
10/01/2021	910,737.50		910,737.50	733,025.00	177,712.50	151,704.16
10/01/2022	912,250.00		912,250.00	737,800.00	174,450.00	144,196.51
10/01/2023	904,500.00		904,500.00	731,875.00	172,625.00	138,130.75
10/01/2024	916,000.00		916,000.00	740,600.00	175,400.00	135,838.41
10/01/2025	910,750.00		910,750.00	733,450.00	177,300.00	132,895.93
10/01/2026	909,500.00		909,500.00	735,950.00	173,550.00	125,927.40
10/01/2027	912,000.00		912,000.00	737,750.00	174,250.00	122,369.72
10/01/2028	913,000.00		913,000.00	733,850.00	179,150.00	121,744.88
10/01/2029	1,537,500.00		1,537,500.00	1,239,425.00	298,075.00	195,642.05
10/01/2030	1,539,250.00		1,539,250.00	1,241,625.00	297,625.00	189,021.65
10/01/2031	1,537,750.00		1,537,750.00	1,242,425.00	295,325.00	181,480.21
10/01/2032	1,533,000.00		1,533,000.00	1,236,825.00	296,175.00	176,089.29
	17,031,431.25	414,093.75	16,617,337.50	13,408,253.61	3,209,083.89	2,384,096.79

Savings Summary

PV of savings from cash flow	2,384,096.79
Less: Prior funds on hand	-1,043,797.24
Plus: Refunding funds on hand	-4,659.61
Net PV Savings	1,335,639.94

SAVINGS

City of Campbell  
Refunding of the TABS Portion of Series 1997 COP

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/03/2016 @ 3.2487397%
10/01/2016	167,288.34	167,288.34				
10/01/2017	304,005.38		304,005.38	201,496.99	102,508.39	99,691.33
10/01/2018	302,307.98		302,307.98	201,725.00	100,582.98	95,009.12
10/01/2019	669,070.58		669,070.58	564,763.00	104,307.58	95,361.93
10/01/2020	669,189.60		669,189.60	564,844.00	104,345.60	92,295.28
10/01/2021	669,789.90		669,789.90	564,707.00	105,082.90	89,909.92
10/01/2022	669,194.78		669,194.78	564,352.00	104,842.78	86,775.13
10/01/2023	669,474.22		669,474.22	568,779.00	100,695.22	80,640.25
10/01/2024	668,449.58		668,449.58	567,879.00	100,570.58	77,893.69
10/01/2025	668,190.82		668,190.82	566,761.00	101,429.82	75,966.02
10/01/2026	668,589.30		668,589.30	565,425.00	103,164.30	74,706.12
10/01/2027	669,536.32		669,536.32	563,871.00	105,665.32	73,977.31
10/01/2028	668,853.22		668,853.22	567,099.00	101,754.22	68,878.75
	7,463,940.02	167,288.34	7,296,651.68	6,061,701.99	1,234,949.69	1,011,104.87

Savings Summary

PV of savings from cash flow	1,011,104.87
Plus: Refunding funds on hand	2,581.90
Net PV Savings	1,013,686.77

SAVINGS

City of Campbell  
Refunding of the TABS Portion of Series 2002 COP

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/03/2016 @ 3.2487397%
10/01/2016	341,967.88	341,967.88				
10/01/2017	365,300.66		365,300.66	354,793.72	10,506.94	10,239.85
10/01/2018	366,446.92		366,446.92	351,417.00	15,029.92	14,096.05
	1,073,715.46	341,967.88	731,747.58	706,210.72	25,536.86	24,335.90

Savings Summary

PV of savings from cash flow	24,335.90
Plus: Refunding funds on hand	73.14
Net PV Savings	24,409.04

SAVINGS

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

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 Preliminary, subject to change  
 Private Placement  
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Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 08/03/2016 @ 3.2487397%
10/01/2016	1,378,618.10	1,378,618.10				
10/01/2017	2,056,557.30		2,056,557.30	1,600,040.01	456,517.29	442,645.15
10/01/2018	2,053,049.90		2,053,049.90	1,594,417.00	458,632.90	432,215.24
10/01/2019	2,044,615.58		2,044,615.58	1,624,763.00	419,852.58	383,393.23
10/01/2020	2,043,734.60		2,043,734.60	1,622,344.00	421,390.60	372,514.76
10/01/2021	2,046,697.40		2,046,697.40	1,624,182.00	422,515.40	361,573.70
10/01/2022	2,457,614.78		2,457,614.78	1,915,102.00	542,512.78	448,410.28
10/01/2023	2,456,364.22		2,456,364.22	1,914,954.00	541,410.22	433,115.15
10/01/2024	2,461,319.58		2,461,319.58	1,918,604.00	542,715.58	420,174.04
10/01/2025	2,459,130.82		2,459,130.82	1,915,811.00	543,319.82	407,079.50
10/01/2026	2,459,859.30		2,459,859.30	1,916,750.00	543,109.30	393,788.79
10/01/2027	2,458,146.32		2,458,146.32	1,916,246.00	541,900.32	380,217.43
10/01/2028	2,461,853.22		2,461,853.22	1,914,299.00	547,554.22	371,731.30
10/01/2029	2,422,700.00		2,422,700.00	1,855,975.00	566,725.00	372,219.32
10/01/2030	2,422,250.00		2,422,250.00	1,855,675.00	566,575.00	360,087.90
10/01/2031	2,416,450.00		2,416,450.00	1,858,450.00	558,000.00	343,165.83
10/01/2032	2,420,300.00		2,420,300.00	1,854,125.00	566,175.00	336,889.35
10/01/2033	1,817,900.00		1,817,900.00	1,267,875.00	550,025.00	316,653.94
	40,337,161.12	1,378,618.10	38,958,543.02	30,169,612.01	8,788,931.01	6,575,874.90

Savings Summary

PV of savings from cash flow	6,575,874.90
Less: Prior funds on hand	-2,255,829.02
Plus: Refunding funds on hand	2,883.37
<b>Net PV Savings</b>	<b>4,322,929.25</b>

BOND SUMMARY STATISTICS

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

\*\*\*\*\*  
 Preliminary, subject to change  
 Private Placement  
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Dated Date	08/03/2016
Delivery Date	08/03/2016
Last Maturity	10/01/2033
Arbitrage Yield	3.248740%
True Interest Cost (TIC)	3.248740%
Net Interest Cost (NIC)	3.262462%
All-In TIC	3.360619%
Average Coupon	3.262462%
Average Life (years)	10.077
Weighted Average Maturity (years)	10.077
Duration of Issue (years)	8.455
Par Amount	22,705,000.00
Bond Proceeds	22,705,000.00
Total Interest	7,464,612.01
Net Interest	7,464,612.01
Total Debt Service	30,169,612.01
Maximum Annual Debt Service	1,918,604.00
Average Annual Debt Service	1,758,022.07
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	22,705,000.00	100.000	3.262%	10.077	18,722.70
	22,705,000.00			10.077	18,722.70

	TIC	All-In TIC	Arbitrage Yield
Par Value	22,705,000.00	22,705,000.00	22,705,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-210,000.00	
- Other Amounts			
Target Value	22,705,000.00	22,495,000.00	22,705,000.00
Target Date	08/03/2016	08/03/2016	08/03/2016
Yield	3.248740%	3.360619%	3.248740%

BOND PRICING

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

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Preliminary, subject to change  
 Private Placement

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Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	10/01/2017	340,000	1.860%	1.860%	100.000
	10/01/2017	70,000	2.180%	2.180%	100.000
	10/01/2017	360,000	3.500%	3.500%	100.000
	10/01/2018	345,000	1.860%	1.860%	100.000
	10/01/2018	90,000	2.180%	2.180%	100.000
	10/01/2018	465,000	3.500%	3.500%	100.000
	10/01/2019	455,000	2.180%	2.180%	100.000
	10/01/2019	500,000	3.500%	3.500%	100.000
	10/01/2020	465,000	2.180%	2.180%	100.000
	10/01/2020	515,000	3.500%	3.500%	100.000
	10/01/2021	475,000	2.180%	2.180%	100.000
	10/01/2021	535,000	3.500%	3.500%	100.000
	10/01/2022	485,000	2.180%	2.180%	100.000
	10/01/2022	845,000	3.500%	3.500%	100.000
	10/01/2023	500,000	2.180%	2.180%	100.000
	10/01/2023	870,000	3.500%	3.500%	100.000
	10/01/2024	510,000	2.180%	2.180%	100.000
	10/01/2024	905,000	3.500%	3.500%	100.000
	10/01/2025	520,000	2.180%	2.180%	100.000
	10/01/2025	935,000	3.500%	3.500%	100.000
	10/01/2026	530,000	2.180%	2.180%	100.000
	10/01/2026	970,000	3.500%	3.500%	100.000
	10/01/2027	540,000	2.180%	2.180%	100.000
	10/01/2027	1,005,000	3.500%	3.500%	100.000
	10/01/2028	555,000	2.180%	2.180%	100.000
	10/01/2028	1,035,000	3.500%	3.500%	100.000
	10/01/2029	1,580,000	3.500%	3.500%	100.000
	10/01/2030	1,635,000	3.500%	3.500%	100.000
	10/01/2031	1,695,000	3.500%	3.500%	100.000
	10/01/2032	1,750,000	3.500%	3.500%	100.000
	10/01/2033	1,225,000	3.500%	3.500%	100.000
		22,705,000			

Dated Date	08/03/2016	
Delivery Date	08/03/2016	
First Coupon	04/01/2017	
Par Amount	22,705,000.00	
Original Issue Discount		
Production	22,705,000.00	100.000000%
Underwriter's Discount		
Purchase Price	22,705,000.00	100.000000%
Accrued Interest		
Net Proceeds	22,705,000.00	

BOND DEBT SERVICE

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

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Preliminary, subject to change  
 Private Placement

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Period Ending	Principal	Coupon	Interest	Debt Service
10/01/2017	770,000	** %	830,040.01	1,600,040.01
10/01/2018	900,000	** %	694,417.00	1,594,417.00
10/01/2019	955,000	** %	669,763.00	1,624,763.00
10/01/2020	980,000	** %	642,344.00	1,622,344.00
10/01/2021	1,010,000	** %	614,182.00	1,624,182.00
10/01/2022	1,330,000	** %	585,102.00	1,915,102.00
10/01/2023	1,370,000	** %	544,954.00	1,914,954.00
10/01/2024	1,415,000	** %	503,604.00	1,918,604.00
10/01/2025	1,455,000	** %	460,811.00	1,915,811.00
10/01/2026	1,500,000	** %	416,750.00	1,916,750.00
10/01/2027	1,545,000	** %	371,246.00	1,916,246.00
10/01/2028	1,590,000	** %	324,299.00	1,914,299.00
10/01/2029	1,580,000	3.500%	275,975.00	1,855,975.00
10/01/2030	1,635,000	3.500%	220,675.00	1,855,675.00
10/01/2031	1,695,000	3.500%	163,450.00	1,858,450.00
10/01/2032	1,750,000	3.500%	104,125.00	1,854,125.00
10/01/2033	1,225,000	3.500%	42,875.00	1,267,875.00
	22,705,000		7,464,612.01	30,169,612.01

ESCROW REQUIREMENTS

City of Campbell  
Refunding of the TABS Series 2002A

Period Ending	Interest	Principal Redeemed	Total
08/26/2016	201,604.88	8,510,000.00	8,711,604.88
	201,604.88	8,510,000.00	8,711,604.88

ESCROW REQUIREMENTS

City of Campbell  
Refunding of the TABS Series 2005A

Period Ending	Interest	Principal Redeemed	Total
08/26/2016	212,742.19	10,870,000.00	11,082,742.19
	212,742.19	10,870,000.00	11,082,742.19

ESCROW REQUIREMENTS

City of Campbell  
Refunding of the TABS Portion of Series 1997 COP

Period Ending	Interest	Principal Redeemed	Total
08/26/2016	109,747.55	5,201,910.00	5,311,657.55
	109,747.55	5,201,910.00	5,311,657.55

ESCROW REQUIREMENTS

City of Campbell  
Refunding of the TABS Portion of Series 2002 COP

Period Ending	Interest	Principal Redeemed	Total
08/26/2016	18,679.13	1,001,880.00	1,020,559.13
	18,679.13	1,001,880.00	1,020,559.13

ESCROW COST

City of Campbell

2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

\*\*\*\*\*

Preliminary, subject to change

Private Placement

\*\*\*\*\*

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
08/03/2016		26,126,563.75	26,126,563.75
	0	26,126,563.75	26,126,563.75

ESCROW SUFFICIENCY

City of Campbell  
2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

\*\*\*\*\*

Preliminary, subject to change  
Private Placement

\*\*\*\*\*

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/03/2016		26,126,563.75	26,126,563.75	26,126,563.75
08/26/2016	26,126,563.75		-26,126,563.75	
	26,126,563.75	26,126,563.75	0.00	

ESCROW STATISTICS

City of Campbell  
 2016 Refunding of Tax Allocation Bonds Series 1997, 2002, 2002A and 2005

\*\*\*\*\*

Preliminary, subject to change  
 Private Placement

\*\*\*\*\*

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Refunding of the TABS Series 2002A:							
DSF	455,268.13				454,331.74		936.39
DSRF	1,212,031.78				1,209,538.89		2,492.89
BP	7,044,304.97				7,029,816.33		14,488.64
Refunding of the TABS Series 2005A:							
DSF	414,093.75				413,242.05		851.70
DSRF	1,043,797.24				1,041,650.37		2,146.87
BP	9,624,851.20				9,605,054.92		19,796.28
Refunding of the TABS Portion of Series 1997 COP:							
	5,311,657.55				5,300,732.59		10,924.96
Refunding of the TABS Portion of Series 2002 COP:							
	1,020,559.13				1,018,460.06		2,099.07
	26,126,563.75				26,072,826.95	0.00	53,736.80

Delivery date 08/03/2016  
 Arbitrage yield 3.248740%



# City Council Report

Item: 12.  
Category: New Business  
Date: April 19, 2016

**TITLE:** New Campbell Water Tower Lighting Policy (Resolution/Roll Call Vote)

**RECOMMENDATION:**

That the City Council adopt the attached resolution to approve the new policy on lighting the Campbell Water Tower.

**BACKGROUND:**

Under the direction of the Public Works Department, Building Maintenance Division, the City's lighting contractor installed 12 new energy efficient LED light fixtures around the Water Tower catwalk platform on January 28, 2016. These LED fixtures replaced the 15-year-old high output fluorescent fixtures, which were near the end of their useful service life. The new lighting system can produce up to 150 color combinations and has an expected useful life of up to twenty years.

Following successful installation and testing, the Water Tower was illuminated in gold light to celebrate the City's participation in the Super Bowl 50 Super Community program from February 1 through February 7, 2016.

The new lighting system will also save considerable energy. The lighting system requires a total of 0.72 kilowatts per hour of operation at 60 watts per fixture compared to 1.848 kilowatts per hour at 154 watts per fixture with the 12 fluorescent light fixtures. Daily energy usage with the LED fixtures at 12 hours per day drops from 22.2 kW to 8.64 kW. Monthly energy consumption drops from about 666 kW to 259 kW. Overall, energy consumption drops from 8,103 kW to 3,154 kW annually.

**DISCUSSION:**

As a result of the new Water Tower lighting system being able to provide a wide variety of color combinations, staff has drafted a lighting policy (Attachment 2) to establish protocols for lighting the tower. These protocols follow similar ones established by the City and County of San Francisco, which also illuminates its landmark city hall in various colors to commemorate special events throughout the year. The proposed policy would address the following:

1. Responsibility
2. Dates and duration of illumination
3. Color lighting themes
4. Third party requests
5. Special events and other displays of recognition

Responsibility

The Mayor or his/her designee is responsible for determining the color lighting theme(s) in which to illuminate the Water Tower, and may consider special lighting requests on a case-by-case basis.

Dates and Duration of Illumination

Staff has proposed a schedule of standing events and holidays recognized by the City with recommended complimentary color themes. The proposed schedule is included in the attached policy for consideration.

Building Maintenance Division staff has collaborated with the lighting contractor to program the Water Tower light fixtures so that the landmark is illuminated automatically from sundown to sunrise each day. This programming software includes an astronomical clock to ensure the landmark's lighting between sunset and sunrise each day by adjusting for changes in daylight hours throughout the year.

Color Lighting Themes

Color lighting themes can be programmed in advance of desired dates and times by the lighting contractor, and would be determined by the colors in the proposed lighting schedule. For most nights when the Water Tower is not illuminated in themed lighting, it will remain illuminated in white decorative lighting by default.

Third Party Requests

Not-for-profit agencies, non-governmental organizations, as well as public and private businesses are considered third parties that are not directly affiliated with the City of Campbell. Staff recommends that the Mayor or his / her designee not accept third party requests in order to preserve the unique quality of when the Water Tower is illuminated in themed colors. However, the Mayor and City Manager or their designee may consider such requests at their discretion on a case-by-case basis within reason that benefit the community at-large.

Special Events and Other Displays of Recognition

Staff recommends that lighting for special events (e.g., The Super Bowl) and other displays of recognition (e.g., gestures of solidarity) be considered as needed by the Mayor or his / her designee on a very limited basis and within reason that benefit the community at-large, and to maintain the unique quality during times when the Water Tower is illuminated in themed lighting.

**FISCAL ANALYSIS**

There are no fiscal impacts associated with the staff recommendation. However, it should be noted that the 12 new LED light fixtures result in projected cost savings of 61% due to reduced energy consumption compared to the florescent light fixtures that were replaced in January. These projections are based on the Water Tower being illuminated for 12 hours per day on the average. Twelve hours is used as a baseline number since it is assumed the Water Tower will not be illuminated for at least half a day. Furthermore, with the changes in the amount of sunlight throughout the year, it is assumed that the Water Tower will be illuminated half of the year with more darkness during the fall and winter and less in the spring and summer.

Based on the City's utility rate of 21 cents per kilowatt hour set by PG&E, the LED fixtures' consumption rate of 0.72 kW per hour, and assuming the Water Tower is illuminated for 12 hours each day, costs savings are projected to be 61%. The cost of lighting the Water Tower drops from \$4.66 per day to \$1.81 per day while monthly costs drop from \$139.86 to \$54.43 (Table 1). Overall, annual energy costs drop from \$1,701.00 to \$662.26 with the new LED light fixtures.

**Table 1: Energy Costs Comparison\***

	Per Hour	Per Day	Per Month	Per Year
Florescent Lights	\$ 0.39	\$4.66	\$139.86	\$1,701.00
LED Lights	\$ 0.15	\$1.81	\$ 54.43	\$662.26

\*Costs based on PG&E utility rate of 21 cents per kilowatt hour

As part of the start-up process with the new light fixtures, which are maintenance free, the City's lighting contractor has provided complimentary programming services during three visits on a gratis basis since the new lighting system went online in January 2016. However, the start-up grace period has ended, and in the event special lighting needs are requested, the vendor would charge a fee of \$200 per visit to manually program custom themed lighting. This \$200 fee would cover such services for up to two hours per visit.

The lighting system is covered by a one year warranty that covers labor and materials. The light fixtures are covered by a comprehensive three-year warranty. The vendor would not charge a fee in the event there are issues with the lighting system that are covered by the warranty.

The programming software can be downloaded and staff can receive training on software usage. Staff members would then be able to program special color lighting themes. No service contract with the vendor exists or is needed.

## **ALTERNATIVES**

1. Direct staff to convert this policy into an administrative policy;
2. Modify attached policy; or
3. Provide other direction to staff

Prepared by:   
Michael Thomas, Graduate Intern

Reviewed by:   
Al Bito, Deputy City Manager

Reviewed by:   
Todd Capurso, Public Works Director

Approved by:   
Mark Linder, City Manager

**ATTACHMENTS:**

1. Water Tower Lighting Resolution
2. Draft Water Tower Lighting Council Policy

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL  
ADOPTING THE LIGHTING POLICY FOR THE CAMPBELL WATER TOWER**

**WHEREAS**, the City installed energy efficient, multi-color LED light fixtures for its Water Tower on January 28, 2016; and

**WHEREAS**, new LED light fixtures allow for color themed lighting to be programmed to automatically illuminate its Water Tower; and

**WHEREAS**, the City of Campbell desires to establish procedures for specialty lighting related to observed holidays, City-sponsored events, community events and other instances of recognition;

**NOW, THEREFORE, BE IT RESOLVED**; that the City Council of the City of Campbell hereby adopts the established procedures for lighting the Campbell Water Tower.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of April 2016, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

### Campbell Water Tower Lighting Policy

**Purpose:** The purpose of this policy is to establish protocols for themed lighting of the Campbell Water Tower. Specifically, this policy addresses the following situations:

- a) Responsibility
- b) National holidays and City-sponsored events
- c) Third Party Requests
- d) Special events and other displays of recognition

**Responsibility:**

The Mayor or his / her designee is responsible for determining the color themes in which to illuminate the Water Tower, and may consider special lighting requests on a case-by-case basis.

**Dates and Duration of Illumination**

The Water Tower may be illuminated for national holidays and City-sponsored events, as well as special events and other instances of recognition on a case-by-case basis as determined by the Mayor or his or her designee. The following table lists annual community events and national holidays recognized by the City and serves as a standing list that can be amended as needed:

Event	Date	Type	Color(s)
New Year's Day	January 1	Federal Holiday	TBD
Valentine's Day & Fun Run	February 14	National / City Event	Red & White
St. Patrick's Day	March 17	National Event	Green
Bunnies & Bonnets Parade	Late March / Early April	City Event	Pastels of Purple, White, Pink, Green and / or Blue
Earth Day	April 22	National Event	Green & Blue
Boogie on the Avenue	Third Weekend in May	Chamber Event	Purple, Gold, Green, and White
Memorial Day	Last Monday in May	Federal Holiday	Red, White & Blue
Independence Day	July 4	Federal Holiday	Red, White & Blue
Labor Day	First Monday in September	Federal Holiday	Red, White & Blue
Oktoberfest	Third Weekend in October	Chamber Event	Orange, White and Black
Trick-or-Treat in Downtown	Friday before Halloween	DCBA Event	Orange, White and Black
Veteran's Day	November 11	Federal Holiday	Red, White & Blue
Thanksgiving	Fourth Thursday in November	Federal Holiday	Orange, Brown, Yellow and White
Holiday Season / Carol of Lights	December 15 through December 31	National Custom / DCBA Event	Red & Green

To the extent possible, the Building Maintenance Division of the Public Works Department will program themed lighting so that the Water Tower is illuminated automatically from sundown to sunrise as resources and staff schedules allow.

Notwithstanding the dates and special occasions referenced in this policy, the City's Water Tower will generally remain illuminated in white decorative lighting during evening and night time hours during the calendar year.

Themed lighting must not reflect religious organizations, orders, themes and / or events.

Third Party Requests:

Not-for-profit agencies, non-governmental organizations, public and private businesses are considered third parties that are not directly affiliated with the City of Campbell. These types of requests will generally not be accepted to preserve the unique occasions and frequency when the Water Tower is illuminated in themed colors. However, the Mayor and City Manager may consider requests at their discretion on a case-by-case basis within reason that benefit the community at-large.

If granted by the City, third party requests are subject, but not limited to the following terms:

- There is no automatic agreement renewal for lighting requests as third parties must submit requests for consideration each time they wish to illuminate the Water Tower.
- The applicant / contact on the original submitted request will receive written notification, stating a request's approval or denial via e-mail.
- The City of Campbell is under no obligation to provide specific feedback to any individual or organization regarding the status, merit and / or denial of its request.
- Lighting requests made via, or including, petitions and / or social media campaigns will not be considered.

In the event such requests are made, they must be submitted 30 days prior to the requested date.

Special Events and Other Displays of Recognition:

Any special events and other displays of recognition will be considered as needed by the Mayor or his or her designee on a very limited basis. Such examples can include, but are not limited to, displays of solidarity and celebrating local sports teams.



# City Council Report

Item: 13.  
Category: New Business  
Meeting Date: April 19, 2016

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**TITLE: BMR Eligibility Determination (Resolution/Roll Call Vote)**

## **RECOMMENDATION**

That the City Council take the following actions:

1. Deny the application for a below market rate home, finding that the Le/Nguyen household is ineligible to qualify for a below market rate home.
2. Direct staff to advise the developer to allocate the home to an eligible household.

## **BACKGROUND**

On October 3, 2006, the City Council adopted Ordinance No. 2074, implementing the City's Inclusionary Housing Ordinance (Chapter 21.24), finding that the lack of affordable housing in Campbell forces many residents to pay a very high percentage of their income for housing. The City's General Plan implements the established policy of the State of California that each community should foster an adequate supply of housing for persons at all economic levels.

Pursuant to the Inclusionary Ordinance, D.R. Horton was required to build three (3) inclusionary units as part of their 18-unit for-sale residential development. Two of the units are priced at the moderate income level (~\$472,293) and one of the units is priced at the low income level (~\$189,133). These homes are currently selling for approximately \$1,015,000 to \$1,170,000, market rate. Per Section 7 of the Inclusionary Housing Agreement with D.R. Horton, the developer shall sell the inclusionary units to eligible buyers and the City shall verify buyer income eligibility based on information submitted by the developer. Accordingly, the lender reviews an applicant's tax records, business profit/loss statements, W-2s, bank statements, gifted money, etc. Once the lender is satisfied that a potential buyer meets the BMR income limits and can qualify for a loan, the lender contacts the City with this information. In most cases, staff can easily verify eligibility and the lender can proceed with the sale. However, occasionally the lender will bring an issue to staff's attention that requires additional consideration.

Based on tax records<sup>1</sup> and copies of checking and savings account statements provided by the lender and the applicant, and as discussed in this report, staff has determined that the Phong Le and Bich Thu Thi Nguyen household (the applicant) is ineligible for the City's

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<sup>1</sup> Tax returns are confidential pursuant to California Gov Code sections 54957(a) and 6254(c) and (k).

BMR Program. However, the applicant believes that staff should not consider their assets in determining their eligibility for the City's BMR Program.

### Approval Process

Municipal Code Section 21.24.060(C) provides that no household shall be permitted to begin occupancy of an affordable unit unless the City or its designee has approved the household's eligibility. However, the Municipal Code does not specify who makes the decision on behalf of the City. The reference to the Community Development Director in the Inclusionary Ordinance could be read as implying that the Community Development Director is the decision maker for the City. However, it is not entirely clear. Moreover, the Municipal Code does not provide any appeal from the Community Development Director's determination that a household does not qualify as an "eligible household". In the absence of any action by the Council to designate the Community Development Director as the City's designee, then arguably the Council, as the City's ultimate decision maker, would have the final say in the event of a dispute between staff and the applicant.

### Eligibility Requirements

In determining eligibility, staff relies on: provisions in the Inclusionary Ordinance; federal, state, and local guidelines; and best practices. The following definitions and code references provide a framework for staff's decision making process:

**Household Eligibility.** Pursuant to City Code Section 21.24.030, "eligible household means a household whose household income does not exceed the maximum specified in Section 21.24.040 for a given affordable unit." Per Section 21.24.040(D), "affordable units which are constructed in for-sale projects for owner-occupancy shall be sold at affordable ownership cost to lower-income households and moderate-income households." The City defines "affordable ownership cost" for a moderate income household as a maximum of  $\frac{1}{12}$  of 35% of 110% of AMI to pay for monthly housing costs including mortgage payments, loan insurance fees, property taxes, utilities, property maintenance and repairs, homeowners insurance and homeowner's association dues.

**Personal Income.** Annual household income is defined pursuant to the U.S. Code of Federal Regulations (CFR) and includes the sum of all the income for every adult, 18 years or older, living in the household. Sources of income include but are not limited to all wages or salaries, net income from a business, interest and dividends, and other compensation.

**Business Income.** With regard to net business income, pursuant to 24 CFR 5.609(b) "expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family."

**Income Limits.** Pursuant to Health and Safety Code Section 50093, et.seq, the California Department of Housing and Community Development (HCD) updated its 2015 State Income Limits, effective April 15, 2015. Santa Clara County's area median income (AMI) for a 4-person household is \$106,300. The moderate income limit for a 4-person household is \$127,550 which is approximately 120% of AMI.

**Asset Limitation.** On October 6 and October 20, 2015, the City Council held two study sessions to discuss potential changes to the City's Inclusionary Ordinance. Amongst other things, the City Council discussed limiting the assets of a household in determining eligibility for the City's BMR Program. Because the meeting was a study session, no formal resolution was passed. However, a majority of the Council (Baker, Gibbons, Resnikoff) indicated that they wanted to limit assets. One recommendation was to limit assets to the amount needed for a 20% down payment (Resnikoff). Another recommendation was to limit assets to 100-150% of the annual income limit for a particular household (Gibbons).

The reason for bringing this issue to the Council's attention at that time was that three of the seven BMR homes sold in 2015 were allocated to households with down payments of approximately 50% of the BMR sales price. While these households technically had "moderate incomes", their "affordable ownership cost" is significantly lower because they have a much lower mortgage payment each month. Given the City's limited stock of affordable housing, the Council acknowledged that limiting assets will help ensure that households who could not otherwise afford to live in Campbell have an opportunity to do so. The premise for limiting assets is that "moderate income households" with significant assets may be in a better position to purchase a market-rate home than "moderate income households" without significant assets.

The Housing Element identifies the City's housing needs and includes goals and policies to address those needs. Goal H-3 encourages the production of housing affordable to a variety of household income levels. Goal H-6 promotes equal opportunity for all residents to reside in the housing of their choice. Given the Council's recent recommendations regarding asset limitation, staff has implemented the asset limitation standard for determining BMR eligibility with the goal to provide an equal opportunity for affordable housing to a variety of households.

## **DISCUSSION**

On March 2, 2016, staff was contacted by the lender for DR Horton who indicated that the Le/Nguyen household (applicant) was having difficulty obtaining a traditional loan because they had a foreclosure in 2010. However, the lender indicated that the applicant would be able to pay cash for the \$472,293 BMR home, negating the need for a loan. Staff then obtained the individual tax records and bank statements that were provided to the lender and also asked for tax records for the applicant's home-based business.

Income

The applicant’s 4-person household consists of Phong Le (husband), Bich Thu Thi Nguyen (wife), and their two children. The applicant owns a home-based business where Phong Le owns 70% of the business and Bich Thu Thi Nguyen owns 30%. The husband and wife earn income from both their home based business and other consulting jobs. After deducting \$40,014 in business deductions (e.g., rent, utilities, auto allowance, etc.) the combined income of the household is \$103,406 which is below the \$127,550 moderate income limit for a 4-person household. The following table provides a summary of the household’s income reported for 2015:

<b>S-Corporation 2015 Tax Return Summary</b>		<b>Individual (Joint) 2015 Tax Return Summary</b>	
Gross Receipts	\$117,152	Personal Income	\$31,709
Cost of Goods Sold	(\$7,513)	Taxable Interest	\$1,810
Gross Income	\$109,639	Other taxable income	\$362
Business Salaries	*(\$36,000)	Business Salaries	*\$36,000
<b>Deductions</b>		Ordinary Business Income	**\$33,525
- Rent	\$12,000	<i>Total Income</i>	<i>\$103,406</i>
- Taxes & Interest	\$4,179	Self-employment Tax	--
- Auto Allowance	\$5,521	IRA deduction	(\$12,000)
- Utilities	\$1,652	AGI	\$91,406
- Telephone	\$1,521	Deductions	(\$12,600)
- Insurance	\$6,414	Exemptions	(\$16,000)
- Meals & Entertainment	\$4,954	<i>Taxable Income</i>	<i>\$62,806</i>
- Office Expenses	\$2,224		
- Legal & Professional	\$1,369		
- Travel	\$280		
Total Deductions	(\$40,014)		
<i>Ordinary Business Income</i>	<i>**\$33,525</i>		

The S-Corporation’s business salaries\* and Ordinary Income\*\* are included on the applicant’s Individual (joint) tax return as taxable income.

In consideration of the applicant’s personal and business income and cash assets, staff has determined that the applicant is ineligible for the City’s BMR Program for the following reasons:

1. Asset Ineligibility: The household has \$280,000 in cash assets and access to \$200,000 in gifted funds, enough money to pay cash for the BMR unit.
2. Affordability Ineligibility: Based on the annual income this household generates and the amount of cash assets available for a down payment, the household should be able to afford a market rate home at an affordable ownership cost.

Asset Ineligibility

The household’s total cash assets are \$284,322 (\$277,247 savings / \$7,075 checking) which exceeds the asset limitation recommended by Vice Mayor Gibbons and Council Member Resnikoff. The cash assets in the applicant’s checking and savings accounts total more than double the maximum income level of \$127,550 and approximately triple the amount that would be needed for a 20% down payment amount (\$94,459) on a \$472,293 BMR moderate income home. In addition to the applicant’s personal cash assets, the applicant has indicated that they have access to \$200,000 in gift funding from the husband’s brother. Thus the total amount of cash available to the applicant is approximately \$484,000; enough to pay cash for the BMR moderate income home or a significant down payment on a market rate home.

Affordability Ineligibility

The purpose of the City’s BMR program is to make housing affordable to households who could not otherwise afford to live in Campbell. The area median income not only determines moderate income eligibility, but also determines *affordable ownership cost* and the affordability gap or the price subsidy between a market rate housing unit and a below market rate housing unit. The BMR sales price (\$472,293) takes into account total interest over the life of a 30 year loan. A household who is able to pay all cash or a significant portion of the purchase price will have a much lower *ownership cost* over a 30 year period. Many low- and moderate-income households do not have significant cash reserves and have to take out additional loans to cover the cost of a home.

**Affordable Ownership Cost.** The “affordable ownership cost” for a 4-person moderate income household is \$3,410 (1/12 of 35% of 110% of AMI). This includes an assumed monthly mortgage of \$2,255 plus \$1,155 in monthly housing costs (property taxes, utilities, property insurance, mortgage insurance, maintenance, and HOA fees).

The following table illustrates the affordable ownership cost for two households with various levels of finance need (from 100% financing to zero financing). Example 1 includes various financial scenarios for the \$472,293 BMR home. Example 2 includes various financial scenarios for a recently sold \$805,000 market rate 3-BR home (built in 2008). Both examples assume a 4% APR.

In the first example, household 1 has a total monthly household cost of \$3,410 with no down payment; \$2,919 with a 20% down payment; or \$1,115 with no loan (100% paid).

Household 1a		Household 1b		Household 1c	
Sales Price	\$472,293	Sales Price	\$472,293	Sales Price	\$472,293
No Down Payment	0	20% Down Payment	\$94,459	100% cash	\$472,293
Loan Amount	\$472,293	Loan Amount	\$377,834	Loan Amount	\$0
Mortgage	\$2,255	Mortgage	\$1,804	Mortgage	\$0
Other Hsng Costs	\$1,115	Other Hsng Costs	\$1,115	Other Hsng Costs	\$1,115
<b>Monthly Cost</b>	<b>\$3,410</b>	<b>Monthly Cost</b>	<b>\$2,919</b>	<b>Monthly Cost</b>	<b>\$1,115</b>

The second example shows that the applicant (2a) could purchase a market rate home at a similar cost to Household 1a if the applicant were to put a \$340,000 down payment on the home (\$284,000 cash + \$56,000 gift). If their down payment was only \$284,000 (no gift funding), then their monthly cost would go up by \$200 per month. However, the applicant would be able to write off a portion of their mortgage and utilities for the home-based business, minimizing the impact of that additional \$200.

Household 2a		Household 2b	
Sales Price	<b>*\$805,000</b>	Sales Price	<b>\$805,000</b>
Down Payment	<b>\$340,000</b>	Down Payment	<b>\$284,000</b>
Loan Amount	<b>\$465,000</b>	Loan Amount	<b>\$521,000</b>
Mortgage	<b>\$2,222</b>	Mortgage	<b>\$2,487</b>
Other Housing Costs	<b>\$1,115</b>	Other Housing Costs	<b>\$1,115</b>
<b>Monthly Cost</b>	<b>\$3,337</b>	<b>Monthly Cost</b>	<b>\$3,602</b>

Based on the annual income this household generates and the amount of cash assets available for a down payment, the household should be able to afford a market rate home at an affordable ownership cost.

Request for Determination of Eligibility

The applicant believes that the City should not limit assets because the City does not have a formal set of guidelines to this effect. While the City has not yet adopted formal guidelines, staff used best practices and the recommendations of the City Council to determine asset ineligibility of this applicant. The applicant is now requesting that the City Council review the information and determine if the household is eligible for this below market rate unit.

Next Steps

Following the City Council’s decision, staff will contact the lender to either sell the home to the applicant or move down the lottery list to the next interested buyer. The lottery list includes approximately 25 remaining names of households who currently live in Campbell. The lottery list includes an additional 33 names of interested households who currently work in Campbell. The lender is also collecting names on a first-come—first-serve basis should the lender exhaust the lottery list before finding an eligible buyer. Teachers from Campbell Union School district are amongst those households who have recently expressed interest in the City’s BMR program.

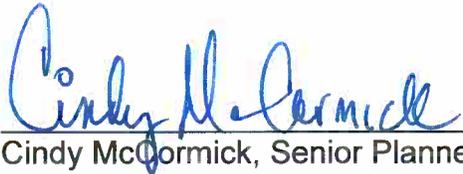
In addition to making a decision on this particular application, staff recommends that the City Council direct staff to prepare a comprehensive set of BMR Guidelines to be adopted by the City Council at a future meeting. Staff could prepare the initial draft with input from the City Attorney and/or any future BMR Administrator/Housing Coordinator that the City may hire. The cost for a consulting BMR Administrator to prepare the BMR Guidelines would be in addition to the requested scope of services that were considered at the April 5<sup>th</sup> City Council meeting.

**Attachments**

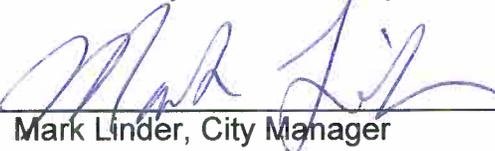
1. Findings for denial

**ALTERNATIVES**

1. Approve Phong Le and Bich Thu Thi Nguyen's application for a BMR home.

Prepared by:   
Cindy McCormick, Senior Planner

Reviewed by:   
Paul Kermoyan, Community Development Director

Approved by:   
Mark Linder, City Manager

**RESOLUTION NO. \_\_\_\_\_**

**BEING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
CAMPBELL DENYING ELIGIBILITY FOR A BELOW MARKET RATE  
HOME IN THE CITY OF CAMPBELL**

The City Council finds as follows with regard to the application for determination of eligibility for a Below Market Rate (BMR) home in the City of Campbell:

1. The applicant's 4-person household consists of Phong Le, Bich Thu Thi Nguyen, and their two children.
2. The applicant is currently renting a home in the City of Campbell and owns a home-based business in the City of Campbell.
3. The applicant's total household income after deducting \$40,014 in business deductions (e.g., rent, utilities, insurance, auto allowance, etc.) is \$103,406.
4. The lack of affordable housing in Campbell forces many residents to pay a very high percentage of their income for housing.
5. The "affordable ownership cost" for a 4-person moderate income household is \$3,410 (1/12 of 35% of 110% of AMI). This includes an assumed monthly mortgage of \$2,255 plus \$1,155 in monthly housing costs (property taxes, utilities, property insurance, mortgage insurance, maintenance, and HOA fees).
6. The household's total cash assets are \$284,322. In addition to the applicant's personal cash assets, the applicant has indicated that they have access to \$200,000 in gift funding. Thus the total amount of cash available to the applicant is approximately \$484,000.
7. Moderate-income households with significant cash assets are generally in a better position to purchase a market-rate home than moderate-income households without significant cash assets.
8. The City's General Plan implements the established policy of the State of California that each community should foster an adequate supply of housing for persons at all economic levels.

Based upon the foregoing findings of fact, the City Council further finds and concludes:

9. The applicant can afford a market rate home at an affordable ownership cost based on the annual income this household generates and the amount of cash assets available for a down payment.

THEREFORE, BE IT RESOLVED that the City Council denies the application for a Below Market Rate unit because the applicant is ineligible for the City's BMR Program.

PASSED AND ADOPTED this 19th day of April, 2016, by the following roll call vote:

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

APPROVED: \_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST: \_\_\_\_\_  
Wendy Wood, City Clerk

MEMORANDUM



City of Campbell  
City Clerk's Office

**To:** Honorable Mayor and City Council

**Date:** April 18, 2016

**From:** Wendy Wood, City Clerk 

**Via:** Mark Linder, City Manager 

**Subject:** Desk Item 13 – E-mail from Phong Le

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On April 19, 2016 e-mails were received by the Clerk's Office from Phong Le, as part of the public record in regards to Item 13.

Attached are the e-mails for your consideration.

**Cindy McCormick**

---

**From:** phong le  
**Sent:** Monday, April 18, 2016 10:34 PM  
**To:** Cindy McCormick  
**Cc:**  
**Subject:** Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Please tell the council,

=====  
In 2015, our personal effective tax rate is  
 $21,826.00 / 103,406.00 = 21.1\%$

If including Obama care cost,  
  
 $(21,826.00 + 6,413.52 + 1,855.04 + 1,610.00) / 103,406.00$   
==> 31.7% (just to be fair when comparing with  
other BMR buyers who has free health insurance).  
=====

Le/Nguyen family.

---

**From:** phong le  
**To:** Cindy McCormick <cindym@citvofcampbell.com>  
**Cc:** "  
**Sent:** Monday, April 18, 2016 10:22 PM  
**Subject:** Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Please tell the council

=====  
According to my record,  
  
To help the family out, my wife, Thu Nguyen, go to work  
at \$9 per hour for 18 weeks in 2015,  
making \$7,512.90 + \$396.45 (before tax).  
Working from 02/16/2015 to 06/28/2015.

The child care cost is \$1,360.00

=====  
According to my record,  
  
Shopping at the mall for 2014 is \$1,842.62  
Shopping at the mall for 2015 is \$2,003.86

We have the same income likes others.

The only way for us to save more money, is to spend less.

=====  
According to my record,

Credit card spending for 2015 is \$13,085.43  
(Discover card=\$8975.06, Costco=\$1904.86  
VISA= \$2180.51, VISA#2=25.00).

Sharing internet with neighbor cost \$220.00 for the whole year.

We have the same income likes others.  
The only way for us to save more money, is to spend less.

=====  
Le/Nguyen family

---

**From:** phong le .  
**To:** Cindy McCormick <cindym@cityofcampbell.com>  
**Cc:**

**Sent:** Monday, April 18, 2016 9:44 PM  
**Subject:** Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Please attach the following text for the council to see.

=====  
The assumption that I always receive \$200K gift for any house is not true.  
The \$200K gift is only applied to this BMR.

The donor is my younger brother. His name is Binh Le. (my name is Phong Le).  
He is living in a BMR unit in the state of Virginia.  
His address is 7849 Locust Leaf Lane, Alexandria, VA 22315.  
Looking up on Zillow, the town house was bought in 2003 for \$128K (current value \$362K).  
He has \$330K in cash. His current balance on this mortgage is \$80K.  
He is working as a pharmacy technician for Kaiser, making \$30 per hour.

If I can not buy this BMR, and willing to buy a unit in Campbell.  
Based on my income, the maximum loan amount I can get is \$350K. Please ask Dee Dee Pho  
to see if she agrees.

I have \$300K cash. I have to reserve \$30K since I am a contractor, not a full time employee.  
Therefore the maximum house I can afford is \$620K.  
As of today, the cheapest 3 bed rooms in Campbell is \$729K, assume that I don't have  
to fight with anyone. (1155 Capri Drive).

The cheapest 2 bed rooms in Campbell is \$500K. (2865 S Bascom Ave#907).  
The 2 beds seem not working as we are a family of four with two children age 12 and 7.

So the assumption for me to get an \$800K unit is not possible.

=====  
Le/Nguyen family

---

**From:** Cindy McCormick <cindym@cityofcampbell.com>

**To:** phong le ...

**Cc:**

**Sent:** Monday, April 18, 2016 1:54 PM

**Subject:** RE: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Yes, if you want the Council to have these before the discussion starts, please bring 10 copies by 12:00 noon tomorrow. Otherwise, you can bring 10 copies to the meeting for distribution.

See my previous email for additional information.  
Cindy

---

**From:** phong le .

**Sent:** Monday, April 18, 2016 1:43 PM

**To:** Cindy McCormick

**Cc:**

**Subject:** Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

is it ok for me to show the city council pictures of my place?

(where most of the items are either picked from trash dump, or free on Craigslist)

Phong Le

---

**From:** Cindy McCormick <cindym@cityofcampbell.com>

**To:** phong le

**Cc:**

**Sent:** Monday, April 18, 2016 1:32 PM

**Subject:** RE: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Mr. Le –

I'd be happy to provide this information to the Council.

Here is what I have for the past three years:

<u>Individual (Joint)</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>

<b>Income</b>			
- Personal Income	\$31,709	\$16,000	\$21,000
- Business Income	\$36,000	\$17,000	\$49,402
- S Corp Ordinary Income	\$33,525	\$2,784	\$20,015
- Taxable Interest	\$1,810	\$423	\$690
- Other taxable	\$362	--	--
<b>Total Income</b>	<b>\$103,406</b>	<b>\$36,207</b>	<b>\$91,107</b>
Self-employment Tax	--	(\$1,201)	(\$3,490)
IRA deduction	(\$12,000)	--	--
AGI	\$91,406	\$35,006	\$87,617
Deductions	(\$12,600)	(\$12,400)	(\$12,200)
Exemptions	(\$16,000)	(\$15,800)	(\$15,600)
<b>Taxable Income</b>	<b>\$62,806</b>	<b>\$6,806</b>	<b>\$59,817</b>

<u>S-Corporation</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Gross Receipts	\$117,152	\$80,432	\$90,200
Cost of Goods Sold	(\$7,513)	(\$4,268)	(\$0)
Gross Income	\$109,639	\$76,164	\$90,200
Salary Deductions	(\$36,000)	(\$16,000)	(\$21,000)
<b>Net Income</b>	<b>\$73,639</b>	<b>\$60,164</b>	<b>\$69,200</b>
Deductions			
- Rent	\$12,000	\$12,600	\$9,000
- Taxes & Interest	\$4,179	\$1,860	\$2,350
- Other Deductions**	\$23,935	\$42,920	\$24,637
Total Deductions	(\$40,114)	(\$57,380)	(\$49,185)
Ordinary Income	\$33,525	\$2,784	\$20,015

Please let me know if you have any questions or comments.



Cindy McCormick, AICP  
Senior Planner | Community Development Department  
City of Campbell | 70 North First Street | Campbell, CA 95008  
Phone: (408) 871-5103 | Fax: (408) 871-5140  
[cindym@cityofcampbell.com](mailto:cindym@cityofcampbell.com)  
[City Home](#) | [Planning Division](#) | [Municipal Code](#)

---

**From:** phong le  
**Sent:** Monday, April 18, 2016 1:22 PM  
**To:** Cindy McCormick  
**Cc:**  
**Subject:** Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Hi Cindy,

When banks look at personal income, they always look for 2 years.

Please let the city know that my 2014 income was roughly 36K.

Phong Le

---

**From:** Cindy McCormick <[cindym@cityofcampbell.com](mailto:cindym@cityofcampbell.com)>  
**To:** phong le  
**Cc:**  
**Sent:** Monday, April 18, 2016 4:50 AM  
**Subject:** RE: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Good Morning,

I'm not sure if you were able to read the report that was linked in the previous email, but we did not include your business income.

I've also attached a PDF of the report in case you are having trouble with the link.

Please let me know if you have any questions or comments.



Cindy McCormick, AICP  
Senior Planner | Community Development Department  
City of Campbell | 70 North First Street | Campbell, CA 95008  
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---

**From:** phong le  
**Sent:** Saturday, April 16, 2016 1:42 PM  
**To:** Cindy McCormick

Cc: \_\_\_\_\_

Subject: Re: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Dear Cindy,

We are foreigners. We don't speak English well. So we write up an appeal paper to present to the City Council.

The attached is as followed:

=====

To the city of Campbell,

We are a family of four, with 2015 gross business income of \$117,152 and earned an additional income of \$31,709. Our 2015 tax return shows a personal income of \$103,406, after business deduction. AGI is \$91,406.

We understand that there is an income limit of \$127,500 for a family of four, to qualify for buying a BMR unit.

According to the interpretation of Ms. Cindy McCormick, our gross business income of \$141,348 is higher than the county limit of \$127,500. I don't think it is fair to use our business gross income, before business deduction. When applying for a mortgage, the lender will not use our business income. They use our personal income as reported on tax form 1040.

I am going to prove that it is impossible for our family to obtain a loan according to what Ms. Cindy said.

Let say our gross business income is \$127,500 (MAX). And our business deduction is \$52,820. This is the average for 3 years. (\$49,185 for 2013, \$61,648 for 2014, \$47,627 for 2015).

Then our personal income would become \$74,680. The lender will only take this income number. According to ZILLOW, with \$100K down payment, \$500 per month for fee, utilities, and maintain, and a income of \$74,680, we can only afford a house valued at \$406,314. (image attached).

After all, I don't think any family with a business income of \$127,500 can qualify to buy a \$485K property.

Just ask any mortgage broker. Or best, ask Dee Dee Pho at DHI Mortgage. She work with the city of Campbell to qualify mortgage for BMR.

Then the \$127,500 income limit should be for personal income, not business income. If this is the case, our family is fully qualified for buying this BMR.

=====

Le/Nguyen family.

From: Cindy McCormick <cindym@cityofcampbell.com>

To: phong le

Cc: \_\_\_\_\_

Sent: Thursday, April 14, 2016 5:08 PM

Subject: RE: April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

That should be **Item #13**

---

**From:** Cindy McCormick  
**Sent:** Thursday, April 14, 2016 4:57 PM  
**To:** 'phong le'  
**Cc:** '  
**Subject:** April 19th - Determination of BMR program Eligibility (Phong Le and Bich Thu family)

Mr. Le,

As previously mentioned, we have scheduled City Council consideration of your application for a BMR home next **Tuesday, April 19th**. The full agenda starts at **7:30pm**. Please note that the request is Item #11 on the Agenda. It is not possible to predict what time we will begin discussion of your request, so I'd recommend that you arrive to the meeting soon after the beginning of the Agenda and wait in the Chamber room seating area until Item #11 is called.

When the item is called, I will briefly summarize the Report (see link below) after which time the Council may have questions for me. Generally, after questions are asked and answered, the Mayor will open the Meeting to comment, at which time you have the opportunity to speak on you and your family's behalf.

The following link includes the report to the Council.  
<http://www.cityofcampbell.com/AgendaCenter/ViewFile/Agenda/04192016-1315>  
**Click on Item #11**

When you arrive at City Hall, go up the ramp. Instead of turning left into the Planning lobby, you will **turn right into the City Manager's office lobby, and then right again into the Council Chambers**.

Please let me know if you have any questions or comments.



Cindy McCormick, AICP  
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# *City Council Report*

Item: 14.  
Category: New Business  
Date: April 19, 2016

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**TITLE: AUTHORIZE THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE DE NOVO PLANNING GROUP FOR FACILITATION AND PREPARATION OF THE ENVISION CAMPBELL PLAN (RESOLUTION/ROLL CALL VOTE)**

## **RECOMMENDATION**

City Council action on the following:

1. Review the final contract which includes the previously approved changes to the consultant Scope of Work; and
2. Review the financial cost breakdown for the total estimated project costs; and
3. Adopt the attached resolution authorizing the City Manager to execute a Professional Services Agreement with De Novo Planning Group for facilitation and preparation of the Envision Campbell Plan in an amount not to exceed \$958,765 and encumber a contingency in an amount not to exceed \$95,877 for a total contract amount not to exceed \$1,054,642; and
4. Approve the attached budget adjustment in the amount of \$914,642.

## **BACKGROUND**

The City Council first expressed its interest in commencing a comprehensive update to the City's General Plan by adopting it as FY 2015-16 Council Strategic Priority. Since then, staff has spent much time via Study Sessions and City Council meetings discussing the Council's desired approach toward this comprehensive General Plan update.

Now referred to as the "Envision Campbell Plan," the list below summarizes key activities presented to Council each month between June 2015 to the present:

- Process overview and best practices in municipal General Plan updates
- Establishment of a General Plan Advisory Committee (GPAC), including development of its roles and responsibilities and membership selection
- Issued a Request for Proposals (RFP) to solicit consultants to lead the project and prepare the General Plan update document
- Selected a Council Subcommittee to assist with the selection of a consultant

- Approved a Purpose Statement to reflect what the City wants to achieve in a new General Plan
- Reviewed four RFP responses and prepared questions to interview two consultants
- Selected De Novo Planning Group as the City's preferred consultant
- Recommended changes to transportation and economic sub-consultants
- Recommended changes to the consultant services Scope of Work

To review a complete listing of previous Council reports, meeting notes and related documents, please visit the Envision Campbell project page at <http://www.cityofcampbell.com/643/Envision-Campbell>.

## DISCUSSION

At its March 1, 2016 meeting, the City Council approved the selection of the De Novo Planning Group to facilitate the preparation of the Envision Campbell Plan and approved the Council Subcommittee's recommended Scope of Work changes. Staff was directed to return to Council with two items:

1. A cost breakdown of the total project costs. **Attachment 1** was provided by the De Novo Planning Group and breaks down the tasks and costs associated with the major components of the Envision Campbell Plan. A cost summary is provided below.

Task / Deliverable	Estimated Cost
Envision Campbell Plan	\$632,470
Environmental Impact Report	\$172,245
Climate Action Plan	\$66,670
Zoning Ordinance	\$87,380
<b>TOTAL</b>	<b>\$958,765</b>

2. A final Scope of Work document, along with a formal introduction of the De Novo Planning Group to the City Council. **Attachment 2** is the De Novo Planning Group Work Plan, which is also Exhibit A in the consultant services agreement (duties of consultant). This Work Plan incorporates the changes to the Scope of Work approved on March 1. Project representatives from the De Novo group are looking forward to attending the April 19, 2016 City Council meeting.

## FISCAL IMPACT

The total estimated projects costs of the Envision Campbell Plan are \$958,765 for the services of the De Novo Planning Group, as well as \$5,000 for the Envision

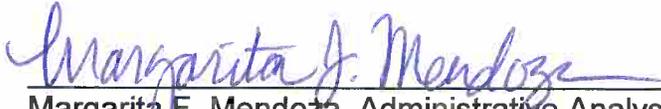
Campbell mobile app and \$5,000 to pay for food and refreshments to be provided at the 25 public meetings currently on the schedule (Neighborhood Community Workshops and GPAC).

The current budget allocated to support costs associated with this project is \$150,000, resulting in a needed budget adjustment of \$914,642. The project will be funded with General Plan Maintenance fees collected as part of every Building Permit issuance.

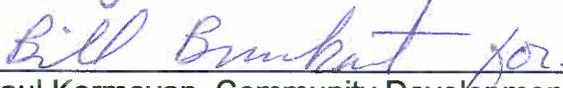
**ALTERNATIVES**

1. Do not approve the attached resolution and budget adjustment.

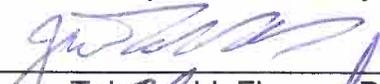
**Prepared by:**

  
Margarita F. Mendoza, Administrative Analyst

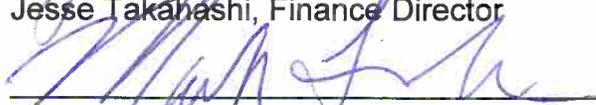
**Reviewed by:**

  
Paul Kermoyan, Community Development Director

**Reviewed by:**

  
Jesse Takahashi, Finance Director

**Approved by:**

  
Mark Linder, City Manager

**Attachments**

1. De Novo Planning Group Project Budget
2. De Novo Planning Group Work Plan
3. Resolution
4. Budget Adjustment

Campbell General Plan Update, Climate Action Plan, and EIR Proposal

PROJECT BUDGET

TASK/ACTIVITY	Project Manager/ Principal	Associate Planner	GIS and Graphics	Admin	De Novo Subtotal		Traffic Fehr & Peers	Econ/Fiscal New Economics	Noise J.C. Brennan	Cultural Peak	Design Maxey	Direct Costs Printing	Cost
	\$135/hour	\$100/hour	\$85/hour	\$70/hour	Hours	Cost							
<b>TASK A: GENERAL PLAN UPDATE</b>													
Task 1: Project Initiation	32	16	10	4	62	\$7,050	\$6,800	-	-	-	-	-	\$13,850
Task 2: Community Participation Program	550	180	98	24	852	\$102,260	-	-	-	-	\$7,500	\$2,900	\$112,660
Task 3: Existing Conditions Report	350	320	76	16	762	\$86,830	\$64,930	\$55,850	\$4,020	\$4,910	-	\$2,400	\$218,940
Task 4: Issues and Opportunities/Land Use Alts Report	220	95	40	10	365	\$43,300	\$16,230	\$11,040	-	-	\$7,500	\$1,200	\$79,270
Task 5a: Draft General Plan	420	140	40	24	624	\$75,780	\$27,380	\$10,740	\$1,120	-	\$10,000	\$2,800	\$127,820
Task 5b: Final General Plan	80	40	12	16	148	\$16,940	\$5,290	-	-	-	-	\$1,400	\$23,630
Task 6: Meetings and Project Management	210	36	0	0	246	\$31,950	\$14,700	\$9,650	-	-	-	-	\$56,300
<b>TASK A SUBTOTAL</b>	<b>1,862</b>	<b>827</b>	<b>276</b>	<b>94</b>	<b>3,059</b>	<b>\$364,110</b>	<b>\$135,330</b>	<b>\$87,280</b>	<b>\$5,140</b>	<b>\$4,910</b>	<b>\$25,000</b>	<b>\$10,700</b>	<b>\$632,470</b>
<b>TASK B: ENVIRONMENTAL IMPACT REPORT</b>													
Task 1: EIR Project Initiation (Kick-off, NOP, Scoping)	32	8	6	4	50	\$5,910	-	-	-	-	-	\$600	\$6,510
Task 2: Draft Environmental Impact Report	208	195	58	16	477	\$53,630	\$60,380	-	\$8,210	-	-	\$2,200	\$124,420
Task 3: Public Hearings	16	8	0	0	24	\$2,960	-	-	-	-	-	-	\$2,960
Task 4: Final Environmental Impact Report	120	68	12	16	216	\$25,140	\$4,240	-	-	-	-	\$1,300	\$30,680
Task 5: Meetings and Project Management	45	16	0	0	61	\$7,675	-	-	-	-	-	-	\$7,675
<b>TASK B SUBTOTAL</b>	<b>421</b>	<b>295</b>	<b>76</b>	<b>36</b>	<b>828</b>	<b>\$95,315</b>	<b>\$64,620</b>	<b>\$0</b>	<b>\$8,210</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,100</b>	<b>\$172,245</b>
<b>TASK C: CLIMATE ACTION PLAN</b>													
Task 1: Develop Baseline GHG Inventory	44	140	24	8	216	\$22,540	-	-	-	-	-	-	\$22,540
Task 2: Establish Emissions Reduction Target	20	16	0	2	38	\$4,440	-	-	-	-	-	-	\$4,440
Task 3: Prepare Climate Action Plan	120	96	32	10	258	\$29,220	-	-	-	-	-	\$800	\$30,020
Task 4: Implementation and Monitoring	42	40	0	0	82	\$9,670	-	-	-	-	-	-	\$9,670
<b>TASK C SUBTOTAL</b>	<b>226</b>	<b>292</b>	<b>56</b>	<b>20</b>	<b>594</b>	<b>\$65,870</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800</b>	<b>\$66,670</b>
<b>Subtotal Hours</b>	<b>2,509</b>	<b>1,414</b>	<b>408</b>	<b>150</b>	<b>4,476</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cost</b>	<b>\$338,715</b>	<b>\$141,400</b>	<b>\$34,680</b>	<b>\$10,500</b>	<b>-</b>	<b>\$525,295</b>	<b>\$199,950</b>	<b>\$87,280</b>	<b>\$13,350</b>	<b>\$4,910</b>	<b>\$25,000</b>	<b>\$15,600</b>	<b>\$871,385</b>
<b>Optional Task: Zoning Code Update</b>													
Hours	380	216	60	30	686	-	-	-	-	-	-	-	-
Cost	\$51,300	\$21,600	\$5,100	\$2,100	-	\$80,100	-	-	-	-	\$6,000	\$1,280	\$87,380

Note: Subconsultants and Direct Costs are billed at no markup.  
De Novo Planning Group reserves the right to reallocate budget between various consulting team members and between tasks, provided the overall project budget does not change.

## Campbell General Plan Update, Climate Action Plan and EIR Proposal

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## CAMPBELL GENERAL PLAN UPDATE WORK PLAN

### GENERAL SERVICES

The work program detailed on the follow pages will include the following:

- A consistent project manager to lead the preparation of the Envision Campbell Plan.
- Coordination and preparation of the Envision Campbell Plan, which is legally defensible.
- Preparation of the California Environmental Quality Act (CEQA) required Environmental Impact Report (EIR), which is legally defensible.
- Facilitation of all General Plan Advisory Committee (GPAC), Community, Neighborhood, City Council, and Commissions/Boards meetings.
- Preparation of summary notes for the above mentioned meetings
- Preparation of staff reports.
- Preparation of monthly status reports for City Council meetings.
- Development and maintenance of a general plan update website current with Envision Campbell activities, meetings, minutes and future events.
- Adherence to the Project Schedule and Project Budget.
- Access to a City-provided work station for consultant to use as a satellite office.
- Preparation of all public notices for meetings and CEQA documents (City to handle distribution).
- Coordination and attendance at meetings between City and Responsible/Interested agencies.
- Research, obtain, facilitate, integrate and communicate coordination with adjacent jurisdictions' plans for Transit Villages and Bus Rapid Transit Corridors.

### DETAILED WORK PLAN

This scope of work is divided into the following components:

- A. General Plan Update
- B. Environmental Impact Report
- C. Climate Action Plan
- D. Zoning Code Update (Optional Task)

## **A. GENERAL PLAN UPDATE**

### **TASK 1 – PROJECT INITIATION**

Within one week of project commencement, the De Novo team will meet with City staff to discuss the following:

- Finalize project scope of work, budget, and schedule, if necessary;
- City preferences for point of contact, method of communication, meeting and workshop responsibilities, project updates, etc.;
- Discuss community outreach approach, including Visioning Workshops, identification of stakeholders, General Plan Update Website, and format for community workshops,
- General Plan Advisory Committee work plan; and
- Collection of relevant background documents (adopted documents, reports, and studies).

### **TASK 2 – COMMUNITY OUTREACH AND PARTICIPATION**

#### **TASK 2A COMMUNITY WORKSHOPS AND PUBLIC MEETINGS**

De Novo’s proposed approach to public workshops and meetings is described below. We have developed our approach to provide a consistent venue for community involvement, to ensure that the City residents and stakeholders feel that they have had adequate opportunity to participate in the process. Several meetings have been identified as “floating workshops” or “floating meetings” – if these workshops or meetings are not needed, the schedule will be adjusted accordingly.

We understand the demands that a General Plan Update place on City staff and are prepared to fully support and assist City staff through the entire process. We will prepare a staff report for each meeting that describes the process, key issues to be considered at the meeting, and any staff recommendations. Each staff report will be provided to City staff for review and De Novo will revise the report as directed.

At each meeting, the De Novo team will be prepared to make a powerpoint presentation regarding the project and will be prepared to answer questions, make recommendations (if requested), and assist in developing solutions if controversial issues arise.

The following provides a summary of the public meetings included in this scope of work:

**Campbell General Plan Update, Climate Action Plan and EIR Proposal**

**MEETINGS SUMMARY**

<b>Public Meeting Type</b>	<b>Number of Meetings</b>	<b>Description</b>	<b>General Timeframe</b>
Neighborhood Community Workshops (Visioning)	5	Through direction provided by the City, we will arrange the City into 5 segments/neighborhoods. A separate meeting will be held for each neighborhood to identify community priorities for the GP update, specific neighborhood concerns, and neighborhood land use preferences. These workshops will constitute the General Plan "Visioning Process."	Months 1-2
GPAC Policy Development and Land Use Meetings	20	Following the Visioning Process, we will conduct a series of GPAC meetings to develop the Draft General Plan and identify the preferred Land Use Map. The result of this effort will be a full and complete Draft General Plan.	Months 4-20
Board, Commission, and Committee Meetings	3	These meetings will provide an opportunity for the Planning Commission, Historic Preservation Board, Parks and Rec Commission, Bike/Ped Committee, Civic Improvement Commission, and Youth Commission to provide input regarding General Plan content and priorities.	Months 4-8
Joint City Council and Planning Commission meetings	4	These meetings will provide an opportunity for the PC and CC to review the work and policy direction provided by the GPAC, and to refine the General Plan and Land Use Map prior to completion of the Public Draft GP.	Months 12-20
Community-Wide workshop	1	This will provide an opportunity to present the Draft General Plan to the entire community and receive feedback and input	TBD- likely near month 20
Planning Commission Hearings	4	Public hearings with the Planning Commission to receive GP comments and achieve GP adoption and EIR certification	Months 20-24
City Council Hearings	6	Public hearings with the City Council to receive GP comments and achieve GP adoption and EIR certification	Months 18-26
Misc "Floating" Public Meetings	4	Additional public meetings/hearings may be warranted throughout the process.	TBD

Public Meeting Type	Number of Meetings	Description	General Timeframe
<p><i>Note 1: It is anticipated that the GPAC will attend several meetings beyond the 20 policy development meetings identified above. These would likely include the Neighborhood Community Workshops, the Community-Wide Workshop, Board/Commission Meetings, others as determined appropriate.</i></p> <p><i>Note 2: The timeframes identified are approximations, and are subject to adjustment.</i></p>			

De Novo will develop a strong working relationship with the City Council, Planning Commission, and GPAC. We will be available to attend in-person meetings with City staff and the City’s decision-making bodies and advisory commissions throughout the General Plan Update process. We understand that the process of developing a successful General Plan requires a significant amount of community input as well as ownership of the process by both the public and the City’s decision-making bodies. For this reason, we have included a substantial number of public workshops and meetings as part of our scope of work. We believe that our commitment to ample public involvement as well as a significant number of working meetings with the City’s decision-making and advisory bodies sets our team apart and eliminates the need for costly modifications to the scope of work that could occur without the foresight to schedule adequate meetings for public involvement.

De Novo will create and maintain a General Plan Update website that will provide the City and the community with regular updates regarding the status of the General Plan, serve as a library of General Plan documents, including staff reports, meeting agendas, technical reports, and public review drafts, and allow the public an opportunity to participate in polls and comment on the General Plan Update process.

Our team will also provide regular status reports to the Planning Commission and City Council. Newsletters that summarize the General Plan Update process to date, identify upcoming public workshops and meetings, and discuss key issues to be addressed by the update will be prepared on a regular basis.

**TASK 2B STAKEHOLDER INTERVIEWS AND AGENCY CONSULTATIONS**

The De Novo team will consult and meet with stakeholders and agencies throughout the General Plan process. We will refine the list of stakeholders and agencies following the project kick-off meeting with City staff. We anticipate that we will request input from many local and regional agencies/organizations, including:

- City Community Development Department
- City Public Works Department
- City Engineering Department
- City Recreation Department
- City Finance and Utility Services Department
- City Police Department

## Campbell General Plan Update, Climate Action Plan and EIR Proposal

- City Fire Department
- County agencies and departments
- San Jose Water Company
- West Valley Sanitation District
- Santa Clara Local Agency Formation Commission
- Bay Area Air Quality Management District
- Metropolitan Transportation Commission
- School districts
- Community advisory commissions
- Caltrans
- Community organizations (Rotary, Elks, Chamber of Commerce, churches, etc.)

As part of this task, the De Novo team will present information regarding the General Plan Update process, including an overview of the General Plan, what the steps are to update the process, and key points in the project schedule. We will encourage those interested to become involved and will provide information on community visioning workshops and GPAC meetings, the project website, and other methods to provide input to the General Plan process.

### **TASK 2C GENERAL PLAN UPDATE WEBSITE AND COMMUNITY SURVEYS**

#### **WEBSITE**

The De Novo team will create and host a General Plan Update website throughout the General Plan Update process. The website will provide regular updates regarding the status of the General Plan, identify the schedule of upcoming meetings, provide minutes and agendas for meetings, and serve as a library of General Plan documents, including staff reports, meeting agendas, technical reports, and public review drafts. De Novo will place all public documents (public drafts of studies, technical reports, land use alternatives, Issues and Opportunities Report, General Plan, Climate Action Plan, Draft EIR, and Final EIR) on the website in .pdf format and all documents will be provided to the City in a format appropriate for publication on the City's website. The website will also provide a forum to receive comments on the General Plan Update process.

#### **COMMUNITY SURVEYS**

Community surveys and polls will be made available on the website to allow the public an opportunity to participate in the process. De Novo anticipates a general survey to ascertain the community's general concerns and interests, and a survey specific to land use and growth issues. Additional surveys and topical issues can be addressed at the City's request. De Novo will provide the City with a link to place on the website that will take the visitor directly to an interactive survey that can be completed on-line. De Novo will prepare and maintain the surveys and will tabulate the results. In addition to publication on the website, surveys can also be provided in reproducible hard copy for distribution at City Hall or via direct mailings.

**TASK 2D NEWSLETTERS**

The De Novo team will prepare regular newsletters that identify the status of the General Plan Update process, provide information regarding upcoming meetings, describe key issues that have been resolved and/or are being raised for discussion, and provide information on how to participate in the process. Each newsletter will be posted on the General Plan Update website and will also be provided to the City in a format suitable for high-quality reproduction.

**TASK 3 – EXISTING CONDITIONS REPORT**

To prepare a meaningful General Plan, existing conditions must be understood and documented. The Existing Conditions Report will identify development patterns, natural resources, socioeconomic conditions, and environmental constraints in the City and will identify the regulatory environment for each topic. This report will be a resource for the City Council, Planning Commission, GPAC, City staff, and the De Novo team for the General Plan Update and Environmental Impact Report. The Existing Conditions Report will make extensive use of maps, graphics, and user-friendly non-technical terms to help make it accessible to the general public.

The Existing Conditions Report will provide background data and serve as a technical framework, while the General Plan will focus on goals, policies, and implementation. The information collected for the Existing Conditions Report will also be used as the basis for the “existing setting” sections of the General Plan EIR.

Relevant background data, including land use, transportation, infrastructure, utility, and conservation plans, will be collected and reviewed.

The following topic areas will be addressed in the Existing Conditions Report:

**LAND USE AND SOCIOECONOMICS**

This chapter will address land use and demographics, including issues related to land use patterns, community character, and economic development. The information in this chapter will provide both a historical and current perspective on land use and is intended to assist the General Plan update process by providing both historical context and a baseline of existing land use information to be used when formulating and considering amendments to the City’s current land use pattern or when considering alternate growth and land use scenarios for the City.

**LAND USE**

The land use discussion will identify existing land use patterns in the City and surrounding area, including community centers, types of residential and commercial development, and industrial uses. The city limit, Sphere of Influence, and Planning Area will be described. The acreage of existing land uses and land use designations will be summarized by land use type. Recent development trends and planning decisions, including General Plan Amendments and major zoning changes, will be described.

The land use discussion will summarize open space in Campbell and will reference each chapter of the Existing Conditions Report that discusses each specific type of open space. Detailed exhibits will be provided that depict existing land uses, adopted land use designations, and areas of open space.

Local land uses and trends will be discussed in the context of overall trends within Santa Clara County and the region. Known planned and pending projects will be described. Relevant land use plans and policies, including the City of Campbell General Plan, Zoning Ordinance, Design Guidelines, and various master/area plans will be described and summarized.

**ECONOMIC DEVELOPMENT/MARKET ANALYSIS**

NEA will prepare an economic and market analysis background report to serve as resource for the General Plan Update project. The economic background analysis will cover local demographic conditions and trends, and general local economic conditions, such as sectoral analysis of local business activity, and retail sales trends. The real estate market analysis will cover retail, office, industrial, and residential uses. For each land use type, the market analysis will document existing development inventories and market conditions, and will then examine potential growth, over the course of the General Plan planning horizon. NEA will also interview a range of local economic development and real estate professionals in order to identify issues and/or opportunities that could be addressed in the General Plan to better position the City to foster economic growth and establishment of new businesses, to encourage redevelopment of under-utilized commercial and industrial land, and to encourage existing businesses to remain in the City of Campbell. NEA will review and reference relevant background information, policies, or strategies from the City’s existing Economic Development Strategy. Drawing on the firm’s deep knowledge Silicon Valley real estate trends and conditions, developed through ongoing work in the development of the NASA Research Park in Mountain View and economic development work with other Silicon Valley communities, NEA will place a special emphasis on identifying opportunities related to the City’s location within the thriving Silicon Valley and the potential to develop property to support an expanding tech/R&D sector within the City, considering the City’s ongoing efforts to develop and implement the Dell Avenue Area Plan. The market analysis will provide estimates of the amounts of land that should be allocated in order to address market opportunities to capture demand for each land use type during the General Plan time horizon.

**FISCAL BACKGROUND ANALYSIS**

NEA will provide fiscal impact analysis to support the General Plan Update project. NEA’s initial work product will be an assessment of existing fiscal conditions, which can be produced at the background analysis stage of the project. The existing fiscal conditions assessment will involve a brief review of the City’s existing General Fund cost and revenue structure. In addition, the analysis will evaluate factors such as the City’s property tax allocation share within the city’s Tax Rate Areas and implications for the General Plan Update, such as locations where it will be beneficial to concentrate new development due to exceptionally high property tax shares. NEA will also conduct interviews with representatives of key departments, such as Police, Fire, and the City Manager’s office, to ascertain whether there are any excess service capacities that would allow the City to accommodate new growth without requiring extensive service expansions or, conversely, whether there are any areas where new development may exacerbate existing service deficits and/or trigger the need for disproportionately expensive service expansions. This can help support strategic planning for land use alternatives that will be beneficial to the City’s fiscal health.

## CIRCULATION

This chapter will describe the circulation network serving the City. Existing conditions will be described for roadway operations, pedestrian-bicycle facilities, transit service, and multimodal operations. The following tasks will be completed by Fehr and Peers:

### **Field Reconnaissance**

Fehr & Peers will conduct a virtual field survey of the City's existing transportation facilities using Google Earth and other available data. The inventory of physical features will include the number of through vehicle lanes; locations of signalized intersections; presence of bicycle lanes, and off-street pathways; locations of sidewalk gaps and missing pedestrian crossing treatments; and locations of transit stops. The virtual field review will be verified with a field visit to select sites and to assess conditions for locations that cannot be reviewed virtually.

### **Turning Movement and Roadway Segment Counts**

We will conduct weekday AM and PM peak period traffic counts (vehicles, bikes, and pedestrians) for 10 key study intersections and 24-hour counts on 20 roadway segments (for informational purposes). The exact list of locations will be developed in cooperation with City staff. To represent typical conditions, all data will be collected during a typical non-holiday weekday and while local schools are in session.

### **Existing Circulation Conditions**

Fehr & Peers will prepare a brief report describing the City's existing circulation system and its operation.

Available Census and travel survey data will be used to describe the travel behavior of Campbell's residents and employees.

Federal, state, regional, and local regulations pertaining to multimodal circulation in Campbell will be described. Existing roadways, pedestrian facilities, the bicycle network, and transit facilities will be described. Graphics illustrating the roadway system, bicycle and pedestrian facilities, peak hour traffic counts, pedestrian/bicycle counts, and transit routes/stops will be included.

Collision data available through the California Highway Patrol's SWITRS reports will be reviewed to identify specific "hot spots" that have experienced high rates of automobile, pedestrian, and/or bicyclist collisions.

Existing intersection levels of service will be determined using the collected traffic volume data, intersection geometric configurations, and signal phasing (to be provided by the City). Using transit ridership data from VTA and input from City staff, key transit trip origins and destinations will be mapped and used to assess connectivity of transit service. Transit operations will include the peak load factors for the bus routes and LRT line serving Campbell.

Key pedestrian and bicycle origins and destinations will be mapped and used to assess the pedestrian and bicycle network completeness. Gaps in the pedestrian and bicycle networks will be identified.

**COMMUNITY SERVICES AND FACILITIES**

The Community Services and Facilities Chapter of the Existing Conditions Report will describe the existing conditions and regulatory context regarding community services, including water, wastewater, education, public safety services, and parks and recreational resources within the City. These facilities and services provide a framework that supports growth and development in the City. This chapter will describe existing service levels, available resources, and planned expansion of services and infrastructure. This chapter will identify any known issues or constraints associated with the provision of services.

**UTILITY SERVICES**

Water supply, wastewater, solid waste, electric, and natural gas services will be discussed in this chapter. This section will summarize existing service levels, available resources, and infrastructure for water, wastewater, electrical, natural gas, and similar utilities. Information will be based on consultation with service providers and review of available documentation, including master plans and Municipal Service Reviews, to determine the capacity and condition of existing infrastructure. Our team will work with Public Works staff and other service providers to determine the utility infrastructure locations, capacity, and connections proposed and needed during the General Plan build-out time frame, as well as existing utility infrastructure planned for removal or upgrade.

The discussion of water services will also discuss the availability and quality of the water supply, identify available water sources, including surface water and groundwater, existing entitlements and allocation of water, and water demand. This section will describe status of plans for expansion of facilities and options being considered for each service area. Federal, state, and local framework related to utility services will be described.

**PUBLIC SAFETY SERVICES**

Fire protection, including City and mutual aid services, law enforcement, emergency medical services, and operations/maintenance provided by the Public Works Department will be described. This section will discuss service levels, including response times, agency staffing, agency resources and facilities, and existing plans and regulations related to fire and law enforcement services. Known constraints to the provision of services will be described.

**PARKS AND RECREATION**

This section will discuss parks and recreation facilities serving the City including community and regional parks and open space areas for recreation, existing and planned neighborhoods, in the City area. Recreational and open space categories (General Plan and zoning) will be identified. The location of parks, recreation, and open space facilities will be shown on a figure. The regulatory framework associated with parks and recreation, including existing parks and recreational open space standards and joint use agreements with other public agencies, will be described.

**SCHOOLS, LIBRARIES AND OTHER COMMUNITY FACILITIES**

This section will describe public facilities located in the City, including City-owned buildings, schools, library facilities, and historical resources.

HAZARDS, SAFETY, AND NOISE

The Hazards, Safety, and Noise Chapter will discuss existing conditions and federal, state and local regulations related to natural and man-made hazards and public safety issues, including noise.

**HAZARDS AND HAZARDOUS MATERIALS**

This section of the Existing Conditions Report will include a listing of key significant issues that will ultimately guide the preparation of the Safety Element of the General Plan. This section will provide a summary of existing setting and conditions associated with natural and man-made hazards that may pose a danger to City residents, employees and visitors including: dangers from hazardous materials including hazardous materials sites (i.e., landfills, superfund sites, pipelines and sites with the potential for chemical explosion); fire hazards; emergency response; aircraft hazards; and major inclement weather conditions. Known hazardous conditions listed in available state and County databases will be described. Emergency response and evacuation plans will be identified. The existing federal, state, and local regulatory framework for hazards and hazardous materials will be described.

Note: Geologic hazards, such as erosion, subsidence, expansive soils, landslides and naturally occurring asbestos; seismic hazards; and flooding potential will be discussed in other sections of the Existing Conditions Report.

**NOISE**

J.c. brennan & associates will provide the background information for the Noise section, which will include descriptions of the characteristics of sound and noise and a description of transportation, stationary, and construction noise sources within the planning area. A description of the noise monitoring survey results, tabularized noise exposure contours and an existing conditions noise contour map that reflects traffic and stationary noise sources will be included. This section will also summarize current information on ground vibration thresholds and summarize the existing vibration environment.

A noise monitoring program will be developed in close coordination with City Staff. Noise measurement locations will be selected to quantify noise levels along major thoroughfares, near significant stationary noise sources, in developing areas, or in other areas that have been problematic in the past. Based on the results of the noise monitoring and the traffic data, noise contours associated with major roadways will be mapped based on the U.S. Federal Highway Traffic Noise Prediction Model, noise levels associated with stationary and railroad sources will be identified in tabular format, and background noise levels within the community will be quantified.

A summary of the regulatory framework related to noise, including federal, state, and City laws, ordinances, plans, policies, and standards will be provided.

CONSERVATION

The Conservation Chapter of the Existing Conditions Report will discuss conservation issues related to cultural and historic preservation, air quality, biological resources, geologic resources, and hydrology/water quality for the City. This chapter will also discuss open space as it relates to the preservation of natural resources as part of the biological resources discussion, open

space associated with managed production of surface water and groundwater resources as part of the hydrology discussion, and open space associated with public health related to geologic and hydrologic hazards as part of the geologic resources and hydrology discussions, respectively. Federal, state, and local regulations that pertain to each of these topics will also be described.

**CULTURAL AND HISTORIC PRESERVATION**

Peak & Associates will prepare the cultural resources and historic preservation section. This section will describe the rich history of Campbell, including archaeology, ethnography and history, and will summarize known cultural and historic resources in the General Plan Area. Native American groups present or historically located in the City will be described. A records check will be run for the City, through the files of the Information Center of the California Historical Resources Information System at the Northwest Information Center and a list of the recorded resources in the City will be prepared. Available cultural resources inventories will be reviewed and information relevant to Campbell will be summarized.

A check of the Sacred Lands files will be conducted through the Native American Heritage Commission and identified Native American groups and individuals will be consulted to elicit the groups’ concerns about prehistoric period resources. Pursuant to SB 18, a contact list for consultation will be requested from the Native American Heritage Commission. Tribes on the list will be contacted via certified letter inviting them to participate in consultation. Tribes interested in consultation will be invited to provide input via phone consultation or in-person meetings. We will also consult with local historical groups in the City who may have concerns about cultural resources.

This section will summarize relevant cultural and paleontological resource laws, regulations, and policies.

**BIOLOGICAL RESOURCES**

This section will identify existing biological resources including vegetation communities, wildlife habitats, special-status species, and sensitive habitat types known to occur or that potentially occur in the Planning Area. De Novo biologist Steve McMurtry will conduct research and prepare this section of the report. The biological resources section will describe rare, endangered and sensitive plants and wildlife in the City and their habitats. Our staff will conduct an independent evaluation of existing relevant biological resources reports and studies for their objectivity and suitability for purposes of the preparation of the technical report. This task will include a California Natural Diversity Database (CNDDDB) search, review of the California Native Plant Society Inventory, and coordination with the CDFW and the USFWS regarding special-status species. Mr. McMurtry will conduct a reconnaissance level field survey of areas of the City representative of vegetation communities and habitat types potentially occurring in the City. No focused biological studies or detailed fieldwork are proposed at this time.

This section will include exhibits identifying known occurrences of special-status plant and wildlife species, habitat for special-status species, sensitive natural communities, and conservation lands for biological resources. Potential biological constraints, including wildlife corridors and sensitive habitat types, will be mapped for use in developing land use and circulation alternatives.

#### **AIR QUALITY AND GREENHOUSE GASES**

The Air Quality section of the Existing Conditions Report will characterize the existing air quality setting including: local and regional air quality, as well as meteorological conditions and topographic effects, primary air pollutant sources, ambient air quality standards, attainment status, identification of existing ambient air quality for all criteria pollutants of concern (e.g., ozone, PM<sub>10</sub>, PM<sub>2.5</sub>), and toxic air contaminants. Air quality data developed by the California Air Resources Board and Bay Area Air Quality Management District will be summarized. A brief overview of the nature and location of existing sensitive receptors will be provided.

Recent trends in ambient air quality, health and welfare effects associated with air pollutants present in the region, an inventory of major stationary and mobile sources of criteria pollutants, toxic air contaminants, and greenhouse gases/climate change issues will be identified. The regulatory framework related to air quality and greenhouse gases, including AB 32 and SB 375, will be described.

#### **GEOLOGY, SOILS, AND SEISMICITY**

This section will describe geologic features, soils types and characteristics (including soils-related hazards), and seismic conditions. Technical reports, data, and maps prepared for previous City projects as well as information available through the US Geological Survey, California Department of Conservation, and USDA National Resource Conservation Service will be reviewed. Known faults and associated levels of seismic shaking and ground failure potential will be described, along with potential hazards associated with seismic activity, including fault rupture, liquefaction, and seismic shaking. Relevant federal, state, and local regulations, laws, ordinances, and plans will be described.

#### **MINERAL AND ENERGY RESOURCES**

Existing energy supplies and energy use patterns in Campbell and the region will be described. Energy policies, regulations, and standards will be discussed, as well as current and planned energy conservation efforts. A description of the availability and location of any known mineral resource of value to the region will also be included.

#### **HYDROLOGY/WATER QUALITY**

This section includes a discussion of existing hydrologic and storm drainage conditions, including a description of the location, quality, and other characteristics of surface and ground water resources, as well as local coordination of planning for area watersheds and groundwater basins. This section will also describe flooding issues associated with 100-year flooding based on recently updated Flood Insurance Risk Map (FIRM) panels and flooding risks, including 200-year floods, based on Best Available Maps published by California Department of Water Resources. The regulatory framework for hydrology and water quality will address federal, state, and local laws, regulations, plans and ordinances, including the National Pollutant Discharge Elimination System permit requirements. Water supply issues, including drinking water quality and amount of available water, will be discussed in the Community Services and Facilities Chapter.

#### **AESTHETICS AND VISUAL RESOURCES**

This section will describe areas of aesthetic value, including scenic vistas, views of open space, designated landmarks, scenic resources, areas of visual character, and natural features. City plans and policies regarding these resources will also be referenced.

COMMUNITY HEALTH AND WELLNESS

This chapter will address a full range of topics related to the health and wellbeing of City residents and workers. A community’s overall health depends on many factors, including the environment in which people live and work. A healthy living environment reduces risks and facilitates healthy lifestyles. Critical determinants of healthy living environments, which will be used to develop a community health baseline, will include:

- Public health indicators such as vulnerable populations, asthma, obesity, diabetes, and chronic disease;
- Active lifestyle opportunities – walking and bicycling to services, availability of recreational facilities;
- Community Design - safe neighborhoods and public spaces, affordable housing, sustainable development;
- Healthy lifestyle determinants – local foods, healthy shopping options, number of fast food restaurants and offsite liquor retailers, medical and mental health services; and
- Environmental Quality.

These healthy living determinants will be described in detail in the Existing Conditions Report. The context of each determinant in promoting healthy communities will be described and supporting information that describes existing conditions in Brentwood will be provided, based on available information and reports. This section will also include a summary description of current efforts that the City is undertaking to promote sustainability and healthy communities strategies.

The De Novo team will prepare an Administrative Draft Existing Conditions Report for review by City staff. Following City review, the De Novo team will incorporate comments into a Screencheck Existing Conditions Report for City review. Upon receipt of City comments, we will prepare the final Existing Conditions Report for use during the General Plan Update and EIR processes.

**TASK 4 –VISION, OPPORTUNITIES, AND LAND USE ALTERNATIVES**

As part of this task, the De Novo team will prepare an Issues and Opportunities Report that summarizes community input and identifies issues and opportunities and a Land Use Alternatives Report that evaluates three-to-four land use alternatives.

**TASK 4A ISSUES AND OPPORTUNITIES REPORT**

A critical step in preparing the draft General Plan is to hear from the community and GPAC to: 1) develop a vision, 2) articulate core values for the community, 3) identify key issues/opportunities to be addressed by the General Plan Update, and 4) identify land use options. De Novo will incorporate the vision statement and core values into an Issues and Opportunities Report that will be used for the life of the General Plan Update to communicate the intent of the update, opportunities and issues to be addressed by the update, potential land use and growth constraints, and community preferences. This document will provide the City Council and City staff with a resource tool that will facilitate the development of policies and guide the direction of the General Plan Update.

The Issues and Opportunities Report provides a means of focusing the community’s attention on key issues and opportunities that have major policy implications as Campbell considers how it wants to grow in the next 20 years, while balancing the City’s economic development, community character, and natural resource needs. Environmental and other constraints to be considered in the General Plan Update process will be identified and depicted on maps and figures. The Issues and Opportunities Report will summarize and proactively utilize information derived from the community visioning workshops, stakeholder interviews, Existing Conditions Report, City staff observations, and input provided by the GPAC, Planning Commission, and City Council.

As described under Task 2, the De Novo team will facilitate a series of five neighborhood visioning workshops to present information and solicit input from the community, conduct stakeholder interviews, and meet with local organizations and agencies to encourage a broad spectrum of participation in the General Plan Update. Based on the input from these outreach efforts, we will prepare an Issues and Opportunities Report which will address the following:

#### VISION AND CORE VALUES

The intent of a General Plan is to serve the City’s residents and businesses and provide a framework to achieve the City’s desired quality of life. The General Plan will set policy for the City’s future and will provide guidance and an overview of the community’s preferences for City staff, the GPAC, the Planning Commission, the City Council, and various commissions to consider. In order for the General Plan to achieve its intended result, it must reflect Campbell’s core values and priorities. As part of the Neighborhood Visioning Workshops, we will conduct a series of polling and preference exercises to identify the values of residents and stakeholders. This section of the report will translate the input from the community into a Vision Statement that identifies the overarching community values and priorities for the General Plan Update process.

#### OPPORTUNITIES

This section will summarize issues expressed by the community during the Visioning Workshops and issues associated with implementing the land use alternatives. These will include key opportunities and issues associated with land use and development, economic development strategies, circulation, infrastructure requirements, and provision of public services issues. A summary of environmental issues and constraints will also be provided.

The updated Campbell General Plan will address a lengthy list of issues. Many of these issues are defined by State Planning Law, while others reflect purely local concerns. Typically, in general plan update programs, the plan revolves around and is shaped by a handful of key issues or concerns. They most often concern growth, land use, economic development, transportation, public health and safety, urban design, or natural resource protection.

The issues and opportunities will be based on the key points of discussion and areas of concern raised in the community visioning workshops. The topic areas may include: economic development, growth management, sustainable development, preservation of natural resources, housing types, providing a complete streets system, creating a sense of place in specific areas of the community, and specific infrastructure needs.

For each topic, a brief description of background information and a summary of the issues/opportunities identified by participants at the community visioning workshops will be provided. Each topic area section is subdivided into subsections that discuss specific issues and opportunities. Finally, each topic area section concludes with a list of questions that frame the key policy considerations and choices. The key policy questions will be used to receive direction from the GPAC in order to develop and evaluate General Plan alternatives and General Plan goals, policy, and programs.

### CONSTRAINTS

While the Existing Conditions Report will provide a detailed discussion of the constraints to development and growth, it will be a lengthy document. This section of the Issues and Opportunities will summarize the various constraints related to the General Plan Update, including land use, circulation, and service provider constraints. User-friendly, readable graphics will be used to depict land use constraints (areas prone to flooding, unstable soils, sensitive natural communities, etc).

### TASK 4B LAND USE ALTERNATIVES REPORT

This report will provide a summary of community and City leadership input related to land use changes and three-to-four land use map alternatives. Each alternative will be qualitatively analyzed to determine potential growth effects and the alternative's consistency with the community's vision. This document will serve as the primary tool to aid the City in determining the appropriate growth and land use intensity for the General Plan Update.

#### LAND USE VISION

In order to inform the development and consideration of the land use alternatives, De Novo will prepare figures that conceptualize the community's general land use preferences based on the community's input regarding general land use characteristics, areas for growth, open space, recreation, agricultural preservation, and circulation improvements.

#### OVERVIEW OF LAND USE ALTERNATIVES

Following the background information regarding community input and City leadership input, three-to-four land use alternative maps will be developed. One land use alternative will be the No Project (Existing General Plan) Alternative. The other land use alternatives will provide a range of potential development intensities, including potential development scenarios within the Priority Development Area (PDA). The land use alternative maps will depict general plan land use designations by residential density and intensity, non-residential land uses, land use concepts for the Planning Area, new and expanded roads, parks, open spaces, resource protection areas, and similar uses. If new land use designations are recommended at this point, they may be reflected on one or more of the alternatives. Key characteristics of each alternative will be described in this section.

The growth potential for each alternative will be projected for 20-year and build-out conditions, taking into account past development patterns and growth rates, land use capacity, and jobs-housing balance. Projections will be presented as a statistical summary listing dwellings by density, estimated residential population, amount of non-residential use by category (commercial, industrial, office), and estimated numbers of jobs, new schools, parks, community facilities, and similar information.

**EVALUATION OF LAND USE ALTERNATIVES**

The land use alternatives will be evaluated with respect to each alternative’s consistency with the vision expressed by the community and other specific factors and constraints, including:

**Land Use:** An overview and comparison of each land use alternative will be provided that demonstrates key differences between each alternative in respect to residential, commercial/industrial, open space, parks, community facilities, and other land uses. Potential land use conflicts, including residential development intensity and commercial-industrial/urban interfaces, will be identified.

**Circulation:** Fehr and Peers will assist the project team in shaping conceptual plans based on anticipated transportation and circulation needs and improvements associated with each of the Land Use Alternatives. The concepts will address potential General Plan land use and circulation changes to accommodate local and regional circulation needs associated with each Land Use Alternative.

Fehr & Peers will develop trip generation and VMT estimates using our MainStreet tool for each of the land use alternatives. These trip generation and VMT estimates will be used in the selection of the preferred alternative. Fehr & Peers will also provide qualitative assessments of each alternative using criteria developed in concert with City staff to reflect Campbell’s community values. They may include items such as the availability of transportation services, the potential to increase traffic congestion, the potential to reduce average VMT, etc.

**Public Services and Infrastructure:** A comparative discussion of the need for expanded water, wastewater, drainage, and public services (police, fire, schools, etc.) will be provided for each of the land use alternatives, with an emphasis on identifying particular constraints related to service areas or extension of services to currently unserved areas.

**Fiscal Viability and Economic Development:** To assist in evaluating General Plan Land Use Alternatives and refining a Preferred Alternative, NEA will conduct a qualitative analysis of the fiscal and economic development implications of the land use alternatives, based on buildout assumptions to be provided by De Novo. NEA’s assessment will draw upon the findings from the fiscal background report to evaluate the potential for each alternative to generate new General Fund revenues and new General Fund costs, and highlight any significant issues in terms of potentially significant fiscal surpluses or fiscal deficits that might be incurred if developed. NEA will also evaluate the responsiveness of each alternative to the market opportunities identified in the Economic Background/Market Analysis Report, including whether the supply of land designated for different land uses would likely be sufficient to address projected market demand.

**Safety and Environmental Constraints:** The alternatives will be comparatively evaluated for potential adverse effects associated with safety issues (flooding, unstable soils, hazardous materials, etc.) and environmental constraints (sensitive biological habitats, aesthetics, mineral/energy resources, stormwater runoff and water quality, noise, air quality, greenhouse gas emissions).

*The De Novo team will prepare an Administrative Draft Issues and Opportunities Report for review by City staff. Following City review, the De Novo team will incorporate comments into a Screencheck Report for City review. Upon receipt of City comments, we will prepare the final reports for use during the General Plan Update and EIR processes.*

### **TASK 5 –GENERAL PLAN UPDATE**

The De Novo team is committed to providing the City a General Plan of the highest quality and will actively engage the community to develop a vision for the General Plan, prepare a policy document that reflects the desires of the City, and create land use alternatives that are consistent with the City’s vision for the future. The General Plan will reflect requirements of the California Government Code that have been introduced since preparation of the adopted General Plan, including changes promulgated by SB 18, AB 32, AB 162, SB 7, AB 1358, and SB 375, and will also address recent best practices.

In order to streamline the process, we propose to maintain the Existing Conditions Report as a separate document that identifies background conditions. The General Plan document will have a minimum amount of background text, which will allow it to have a streamlined goal and policy structure. Where applicable, goals, policies, and actions will be cross-referenced between sections to reduce overlap and redundancy. The intent of this approach is to provide a General Plan that is easy to use and is not quickly dated. The General Plan will be a concise, technically accurate, and user-friendly document that reflects the values and priorities of Campbell. The General Plan will include a liberal use of graphics and visual depictions of information, including photographs, tables, matrices, drawings, maps, and other graphics to ensure that the document is easy to understand.

#### **TASK 5A – ADMINISTRATIVE DRAFT GENERAL PLAN**

The General Plan Update will address changes to state law, assess the condition of the City, and provide changes or adjustments necessary to realize the current vision of resident and stakeholders for the City. De Novo will actively engage City residents and stakeholders to provide input regarding the topics addressed in the General Plan. Our approach includes extensive community involvement to develop a Vision Statement and Issues and Opportunities Report (Task 4a) and Land Use Alternatives Report (Task 4b), then continues the community involvement through a series of community workshops, open houses, and GPAC meetings to identify a preferred land use alternative and specific goals and policies associated with each topic area of the General Plan.

The 2001 Campbell General Plan will be thoroughly reviewed to determine components that should be carried forward and to identify areas where new goals and policies are needed to address the community’s desires as well as changes to state law since the previous update. In preparing the General Plan Update, the De Novo team will prepare each element to ensure that all goals, policies, and actions:

- Address requirements of state law;
- Avoid or mitigate potential environmental impacts, or are balanced by social, economic, legal, or other relevant considerations;

- Are grounded in recent and sound community planning and resource conservation trends; and
- Are internally consistent.

De Novo realizes that the General Plan document must be organized in the manner most useful to the City. We will support any preferences the City has in terms of consolidating elements or developing additional stand-alone elements.

Based on our review of the existing City General Plan, and our discussions with City staff, we propose to organize the General Plan to include the seven General Plan Elements required by law and five additional elements (Economic/Fiscal Sustainability, Community Services and Facilities, Community Health and Wellness, Sustainability, and Implementation).

The General Plan Update will incorporate the City's various Master, Neighborhood, and Development Plans, with updates to the land uses, policies, and priorities established in these plans, as appropriate. Revisions or updates to adopted Plans that will be maintained as stand-alone documents following General Plan adoption is not included in this scope of work.

#### STAND-ALONE ELEMENTS

It is assumed that the General Plan would include the following stand-alone elements:

1. Land Use
2. Housing (*not a part of this work program*)
3. Circulation
4. Noise
5. Safety
6. Conservation and Open Space
7. Economic and Fiscal Sustainability
8. Community Services and Facilities
9. Community Health and Wellness
10. Sustainability
11. Implementation

The following components will be included in the General Plan Update. These can be organized into elements as described above or can be compiled into broader topics (e.g., Development, Public Facilities, and Natural Environment) or as otherwise directed by the City.

#### INTRODUCTION

The introduction will identify the General Plan vision statement, discuss the rich cultural and historical heritage of Campbell, describe the organization of the General Plan, describe how the

General Plan complies with applicable regulations, and establish implementation and enforcement protocols for the General Plan.

### LAND USE

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De Novo will develop a recommended list of goals, policies, and action items (including any mitigation measures developed during the concurrent environmental review process) to address the land use issues raised in the Existing Conditions Report, Issues and Opportunities Report, the Land Use Alternatives Report, and through the community outreach and GPAC process. This element will include goals, policies, and actions that support the Preferred Land Use Map.

The Land Use Element will provide traditional descriptions of land use designations, and will include policy guidance to address the relationship between building facades and the public realm, the form and mass of buildings in relation to one another, and the scale and types of streets and blocks. The Land Use Element will capitalize on the community's assets and potential with "place making" ideas that ultimately create good public spaces that promote people's health, happiness, and well being.

The Land Use Element will provide goals, policies, and actions that cover the following topics:

- Growth and physical expansion
- Land use types, mix, balance, and location – density and intensity standards will be provided for each land use designation
  - Existing land use designations will be revised and augmented as necessary
  - Opportunities for place making
  - At table will identify the zoning designations that are consistent with each General Plan land use designation
  - Recommended zoning changes to ensure that zoning and general plan land use designations are in compliance
- Reference to land use issues addressed in other elements
- Zoning Ordinance, relevant specific plans, Design Guidelines (residential and commercial), and other applicable City documents – De Novo will review relevant planning documents to ensure that the land use designations, goals, policies, and actions are consistent with adopted planning documents. Action items will be included to address any identified inconsistencies.

A parcel-specific, GIS-based land use map will indicate the distribution, location, and extent of the land use designations.

### HOUSING ELEMENT

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The City recently completed an update to the Housing Element. The De Novo team will coordinate with the City to ensure that all relevant policies contained in the Housing Element are internally consistent with the General Plan Update. A technical memo will be provided to the City that identifies any adopted Housing Element policies or actions, as well as any identified

opportunity sites, that may need to be revised as a result of the General Plan Update in order to maintain consistency between these documents. An update of the Housing Element is not included in this scope of work, but can be completed for an additional cost, upon request by the City. The cost and level of effort to update or revise the Housing Element can be determined upon completion of the General Plan Update.

#### CIRCULATION

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Fehr & Peers will complete a review of the current Circulation Element to identify components to be revised, including incorporating “Complete Streets” policies, SB 743 requirements consistent with guidelines published by the California Office of Planning and Research (forth coming), and NACTO guidelines.

The draft Circulation Element goals and policies will be updated to reflect input received by Staff and the community. Specific policies will be crafted to address MTC’s requirements for jurisdictions to include “Complete Streets” policies in their Circulation Element updates; Campbell passed a Complete Streets resolution but needs to incorporate specific Complete Street policies to remain eligible for MTC’s One Bay Area grant program. Additional transportation policy areas that the community may want to see emphasized include downtown- or transit-oriented development, parking management, transportation demand management (TDM), and traffic calming policies for local and regional streets.

The updated Circulation Element will include goals related to the NACTO *Urban Street Design Guide* and the NACTO *Urban Bikeway Design* as well as using VMT for CEQA purposes.

The circulation improvement projects included in the Circulation Element will use a "complete streets" theme that emphasizes a multimodal system providing safe access for pedestrians, bicyclists, motorists and transit riders of all ages and abilities. The initial list of improvements will be based on the results of the Existing Conditions analysis and qualitative assessment of the preferred land use plan and will include projects to fill gaps in the pedestrian and bicycle network, enhanced transit service on congested roadway corridors, and safety improvements for locations with high collision rates. Issues such as improving pedestrian safety and mobility along and across key corridors such as Bascom Avenue, Winchester Boulevard, and Campbell Avenue will be addressed. The recommendations will be presented with an eye towards positioning capital improvement projects for grant funding eligibility.

#### NOISE

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J.c. brennan & associates will serve as the team’s Noise Engineer and will assist in preparation of the Noise Element. This element will provide goals, policies, and actions related to noise generation and exposure, and will include land use compatibility criteria and address interior and exterior noise standards for intermittent and short-term as well as stationary (light industrial, commercial facilities, public works projects, etc.) and transportation noise sources. Our team will work closely with the City during this process to ensure that the noise policies meet the needs of the City.

This work effort will include the calculation of future noise contour data based upon future traffic data, and other available information.

### SAFETY

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De Novo will also prepare a Safety Element that provides goals, policies, and actions for a variety of topics, including:

- Fire safety,
- Flooding,
- Seismic safety and geologic hazards,
- Manmade hazards (chemical and pipeline explosions, release of toxic/hazardous substances, etc.) and transportation of hazardous materials,
- Other natural and man-made hazards/disasters, and
- Emergency operations and facilities.

### CONSERVATION AND OPEN SPACE

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The Conservation and Open Space Element will focus on the natural, environmental, and man-made resources and the provision of open spaces. The Conservation and Open Space Element combines the state-mandated Open Space and Conservation Elements and provides the foundation for resource conservation in the context of the City's long-term vision for the future and Land Use Map. The Conservation and Open Space Element will be developed to be consistent with other General Plan Elements (e.g., Land Use, Circulation), and its policies, programs, and implementation actions will address the following topics:

- Biological resources – including protection of special-status plant and wildlife species, conservation of sensitive communities, including wetlands, and habitat conservation, including resource conservation strategies.
- Agricultural resources – including prime farmlands, lands under Williamson Act contract, prime soils, and other local agricultural resources.
- Cultural, historic, and paleontologic resources – Develop goals and policies for archaeological, historic, and paleontologic resources, including prehistoric period sites, historic period sites, and buildings and structures. Address Native American concerns and consult with Native American groups (pursuant to SB 18) and historical groups to inform development of policies related to the long-term identification and preservation of resources.
- Energy and mineral resources – Conservation of natural gas, energy, and mineral resources.
- Open space – including preservation, and conservation of natural resources for environmental concerns, and/or for public recreation, health, and safety.
- Recreational resources – including active and passive recreational resources.
- Scenic resources – protection of scenic views and roadways and areas identified as having aesthetic importance during the visioning process.

Our work effort will involve review of existing City standards, including ordinances adopted for watercourse and riparian resource protection, resource conservation, tree preservation and protection, and wetland protection and restoration. The Conservation and Open Space Element will include graphics depicting areas that are currently, or are proposed for conservation and preservation.

#### ECONOMIC AND FISCAL SUSTAINABILITY

The Economic and Fiscal Sustainability Element will provide necessary guidance to foster a strong and sound local economy, including goals and policies relating to employment, retention of existing businesses, and creation of new high-quality job opportunities. The element will include policies and actions designed to retain and attract business types that reflect the City's values, complement existing land use patterns, reduce commuter traffic, and facilitate commercial and professional business development along key travel corridors. The goals and policies will focus on maintaining a high quality of life that complements the City's small-town character while promoting employment and revenue opportunities necessary to meet the needs of City residents and businesses.

The element will also present goals, policies, and actions relating to the City's long-term financial health and prosperity. The ability of the City to provide services such as police protection, parks, recreation, code enforcement, planning, and public works is dependent on the City collecting adequate revenues. To ensure fiscal sustainability, historic, current, and projected fiscal and economic conditions will be reviewed as part of the development of the goal and policy framework. Policies relating to the diversification of revenue sources, cost recovery, public/private partnerships, balanced budgets, reserve funds, debt limitations, and financial asset management will be considered. NEA will assist the De Novo team in preparation of this element, particularly in regards to prioritizing development areas based on property and sales tax revenue generation potential and the City's ability to provide cost-effective services to new development.

Campbell's economic development and fiscal vitality are inter-dependent. A vital local economy ensures that private investment is taking place in the community while generating needed tax revenues to support public services and facilities. When local government is adequately financed, it can in turn provide the infrastructure, planning and services essential for maintaining a high quality of life and environment where businesses can prosper.

#### COMMUNITY FACILITIES AND SERVICES

Public and semi-public community facilities and services must be planned to maintain the high quality of life in the City and to help achieve the City's vision for the future. The De Novo team will coordinate with public service and utility providers to evaluate standards for levels of service and future infrastructure and other needs to support the Land Use Map and other components of the General Plan Update. Service levels and infrastructure necessary to keep pace with growth will be identified.

This element will include a recommended list of goals, policies, and action items (including any mitigation measures developed during the environmental review process) that address:

- Police and fire protection,

- Schools,
- Civic services and functions,
- Parks and recreation,
- Public work maintenance,
- Health care,
- Child care, and
- Libraries, cultural, and community facilities.

Infrastructure facilities and services are essential in providing a healthy and safe living environment and high quality of life. The De Novo team will coordinate with infrastructure service providers to evaluate standards for levels of service, future infrastructure improvements, and other needs to support the Land Use Map and other components of the General Plan Update. Service levels and infrastructure necessary to keep pace with growth will be identified.

This element will include a recommended list of goals, policies, and action items (including any mitigation measures developed during the environmental review process) that address:

- Water supply,
- Wastewater,
- Flood control,
- Solid waste collection and disposal, and
- Storm drainage and water quality.

### COMMUNITY HEALTH AND WELLNESS

The concepts of community health and wellness will be interwoven throughout most elements of the General Plan, and will also be presented as a list of goals, policies and action items in a stand-alone Community Health and Wellness element. The primary goals of the Community Health and Wellness element will be derived through our community outreach and visioning efforts, as well as input from staff and the GPAC. Based on our experience with these issues, and a review of best practices being implemented in other jurisdictions, it is anticipated that this element will address the following topics:

- Access to parks and recreational facilities;
- Availability of healthy and local foods;
- Urban agriculture/forests;
- Access to medical services;
- Access to active transportation and public transit;

- Access to a range of high-quality and affordable housing;
- Access to economic opportunities;
- Walkable neighborhoods with access to services;
- Safe neighborhoods and public spaces;
- Crime prevention through environmental design;
- Environmental quality; and
- Green and sustainable development practices.

#### SUSTAINABILITY

The inclusion of a Sustainability Element in the General Plan will help to demonstrate the City’s commitment to the long-term health and viability of the community. The Sustainability Element will be developed through close collaboration with the GPAC. It is anticipated that this element would address the following:

- A definition of sustainability, as defined by the community and elected officials through the public process;
- A description of relevant state laws and regional efforts related to sustainability;
- Identification and description of sustainability policy areas addressed through the General Plan;
- An explanation of the relationship of this Element to other elements in the General Plan, identifying the Element in which policies relating to each sustainability policy area can be found;
- An explanation of the relationship of this Element to the Climate Action Plan; and
- A set of focused sustainability goals, policies, and actions not addressed in other Elements of the General Plan.

#### IMPLEMENTATION

General Plan implementation is necessary to achieve the vision laid out by the General Plan. The implementation Element will provide feasible, practical implementation methods that ensure the General Plan does not “sit on the shelf” but instead achieves the goals it sets out. This section will help ground the General Plan in reality and assist in ensuring that it produces real results. The implementation program will identify how each implementation measure will be implemented, including the City department responsible for implementation, the funding source(s), and timing of implementation. The De Novo team will work closely with City staff to prepare this section.

#### GLOSSARY

The General Plan will include a section identifying key planning terms and acronyms used throughout the document.

*The De Novo Team will provide City staff with an Administrative Draft General Plan for review. We anticipate meeting with City staff to review comments and reach agreement on how to address potentially conflicting comments. We will incorporate the City's comments on the Administrative Draft General Plan Update to create a Screencheck Draft General Plan.*

### **TASK 5B – PUBLIC REVIEW DRAFT GENERAL PLAN**

Following the City's comments on the Screencheck Draft General Plan, De Novo will prepare the Draft General Plan for public review/comment and use during the City's review and approval process. The Public Review Draft General Plan will be prepared in printed and electronic form. The Public Review Draft General Plan will be provided to the City for distribution to the public and appropriate agencies and posting on the City's website. De Novo will be available to present the Draft General Plan and Draft Environmental Impact Report in a series of public workshops and Planning Commission and City Council meetings to provide the decision-makers and community with information regarding the intent and structure of the draft documents and to receive comments on the draft documents.

### **TASK 5C – FINAL GENERAL PLAN**

We anticipate that a series of public hearings will be held by the Planning Commission and City Council to consider adoption of the General Plan. As changes are requested by these decision-making bodies, we will prepare modified General Plan text that will be provided as attachments to the staff report for consideration. De Novo will prepare a draft staff report and appropriate attachments prior to each hearing. De Novo will be available to present the General Plan and Final Environmental Impact Report at Planning Commission and City Council public hearings.

Based on City Council's direction at the adoption of the General Plan, De Novo will edit the General Plan to be consistent with any revisions approved by the City Council and will prepare the final version of the General Plan.

## **TASK 6- MEETINGS, HEARINGS, AND PROJECT MANAGEMENT**

As described previously in this proposal, our strategy includes two dedicated project managers who will be hands-on for the development of the General Plan, CAP and EIR. Our management team will attend all of the workshops and meetings, and will also author the Existing Conditions Report, Issues and Opportunities Report, Land Use Alternatives Report, General Plan, CAP, and EIR documents.

Our internal management procedures include: regular check-ins with subconsultant teams, internal weekly conference calls with the management team from De Novo and each subconsultant (as relevant to the timing of the task of each subconsultant), weekly updates to the task list, including internal deliverables necessary to meet our deliverables to the City, and establishment of a secure online file sharing site to assure that all background documents, technical reports, updated schedules, and approach memos are readily available to each team member.

We will closely coordinate with the City through each part of the process. Steps we take to assure timely performance include: weekly project calls with the City, monthly status reports, and a project task list that we update each month with the status of each task and deliverable, including subconsultant deliverables. This approach ensures open lines of communication, transparency in our work effort, and accountability. We are committed to completing this project on schedule and within budget and will take all appropriate steps to ensure that the project is managed effectively. The De Novo project managers will be available for regular meetings with City staff, either at City Hall or via conference call, to discuss the project and address the tasks that are currently underway.

The table under Task 2A provides a summary of the public meetings included in this scope of work.

Our team will prepare written meeting summary notes following each meeting. These meeting summary notes will be presented to the City for review and comment, and posted on the General Plan Update website.

The project schedule is provided later in this proposal and illustrates the timing of community workshops, outreach to the public, hearings, document preparation, and the De Novo team submittal and City review period for each deliverable included in this scope.

## **B. ENVIRONMENTAL IMPACT REPORT**

The work program described below would result in the preparation of a Program-level EIR. The EIR would address the range of potential impacts associated with adoption of the General Plan, adoption of the Climate Action Plan, and adoption of the Zoning Ordinance Update (if this option is selected by the City). The EIR would also serve as a tiering document for future greenhouse gas and climate change impact analyses, as provided for in Section 15183.5 of the CEQA Guidelines.

## **TASK 1 – EIR KICK-OFF AND NOTICE OF PREPARATION/INITIAL STUDY**

### **TASK 1A – EIR INITIATION**

De Novo will meet with the City staff team to initiate the EIR portion of the work program. The purpose of the meeting will be to identify concerns and issues that have arisen since the first start-up meeting, review information needs, and discuss scheduling and expectations for the environmental setting and environmental review process. De Novo will coordinate with City staff for the preparation of a base map that will be used during meetings and presentations, and will also be used to provide base information for figures and exhibits used in the EIR. De Novo's GIS staff will be able to revise and amend the base map to address City staff comments.

### **TASK 1B - PROJECT DESCRIPTION**

This section of the Draft EIR will be consistent with the requirements of State CEQA Guidelines Section 15124 and will provide a detailed description of the General Plan Update appropriate for the programmatic analysis of environmental impacts. This section will describe project components (e.g., land use map, policies/actions, circulation diagram, phasing of the General Plan Update, and planned roadway and infrastructure improvements,), expected rate/extent of development under the General Plan Update including any phasing, utility and public service expansion (e.g., water, wastewater, solid waste, fire, law enforcement), and clear identification of what would be defined as a "subsequent project" under the General Plan Update. The City's objectives for the project will be described. In addition, graphics illustrating the proposed project and a description of anticipated actions associated with the project will be provided. The Project Description will support the anticipated development intensity and land uses envisioned for the General Plan, and will provide flexibility in regards to the evaluation of subsequent projects.

The Introduction section (see Task 2) will provide an overview of General Plan requirements and the update process, CEQA requirements for an EIR, an organizational outline of the EIR, and a discussion of the intended uses of the EIR.

The Project Description will be provided to City staff for review and acceptance prior to impact analysis.

### **TASK 1C - SIGNIFICANCE CRITERIA**

A draft set of significance criteria will be prepared for review by staff. The significance criteria will include proposed criteria for each topical issue to be addressed in the EIR and will be based on Appendix G of the CEQA Guidelines as well as plans, regulations, and ordinances adopted by the City and, to the extent applicable, by state and regional agencies, such as the BAAQMD, CDFW, USFWS, and Caltrans. Early agreement regarding significance criteria will help to focus the setting information and the impact analyses provided in the EIR.

### **TASK 1D - NOTICE OF PREPARATION/INITIAL STUDY/SCOPING MEETING**

De Novo will prepare the Notice of Preparation (NOP) and associated initial study in accordance with the requirements of CEQA in order to define the scope of the environmental analysis. An administrative draft of the NOP and initial study will be prepared for City review. Upon two reviews by City staff of the NOP and initial study, De Novo will prepare the final NOP and initial

study for public distribution. De Novo will submit 15 copies to the State Clearinghouse on behalf of the City.

The project will require a public scoping meeting, and De Novo will prepare presentation materials and facilitate the meeting. The scoping meeting will include an overview of the General Plan Update project and the environmental review process, as well as identification of environmental issues that will be addressed in the EIR. After completion of the scoping meeting, De Novo will provide a summary of environmental issues raised. In addition, De Novo (in coordination with the City) will seek one-on-one meetings with key local, regional, and state agencies.

## **TASK 2 DRAFT ENVIRONMENTAL IMPACT REPORT**

The Draft EIR will be either be a Program EIR prepared consistent with the requirements of CEQA, the CEQA Guidelines, and relevant case law. The Draft EIR will be a readable, useful document that can be used to streamline review of future planning, infrastructure, and development projects that are consistent with the General Plan. The Draft EIR will consist of the chapters described below.

### **EXECUTIVE SUMMARY**

This section will summarize the characteristics of the General Plan Update, describe areas of controversy, and provide a concise summary matrix of the project’s environmental impacts and associated mitigation measures as required under State CEQA Guidelines Section 15123. The matrix will also identify proposed General Plan Update policies and actions that provide mitigation of identified environmental impacts. Alternatives to the proposed project will be summarized and the environmentally superior alternative will be identified.

### **CHAPTER 1: INTRODUCTION**

This Section of the Draft EIR would provide an introduction and overview describing the intended use of the EIR and the review and certification process. This section will describe the purpose of the EIR, identify CEQA Guidelines and Public Resource Code requirements for a Program EIR, and describe how the Program EIR can be used to streamline environmental review of subsequent projects. A flowchart will be included that shows the process for subsequent environmental documents, identifying when it would be appropriate to prepare a Mitigated Negative Declaration versus a Focused or Project-level EIR.

### **CHAPTER 2: PROJECT DESCRIPTION**

This Section of the Draft EIR will be consistent with the requirements of State CEQA Guidelines Section 15124 and will be based on the Project Description prepared under Task 1b, described above.

### **CHAPTER 3: ENVIRONMENTAL SETTING, IMPACTS AND MITIGATION MEASURES**

This chapter will provide the baseline setting, general assumptions, and environmental analysis used in determining the environmental effects of the General Plan Update. This chapter will include an introductory section providing details on the “baseline conditions” assumptions for the analysis, land use forecasts for residential and non-residential uses, level of detail of programmatic analysis, consideration of key components of the General Plan Update (e.g.,

location of future growth, continued highest and best use of resources, conservation of natural resources, circulation system modifications, risks associated with seismic and wildfire hazards), and definition of the cumulative setting (e.g., geographic extent) and impact analysis. This section will also describe how direct and indirect environmental impacts are addressed associated with implementation of the General Plan Update and the multiple actions that may occur associated with its implementation (e.g., adoption of infrastructure master plans, update of CIPs, revisions to the Zoning Code, annexation requests, public service improvements).

Population, housing units, and non-residential uses, including employment, will be projected for the City under buildout conditions. The Draft EIR will analyze impacts associated with buildout conditions. This section will describe the basis of and approach to the impact analysis in the Draft EIR.

The EIR will evaluate each of the following environmental issues in detail:

- Aesthetics and Visual Resources
- Agricultural and Forest Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology, Soils, and Seismicity
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral and Energy Resources
- Noise
- Population, Housing, and Employment
- Public Services
- Recreation, Parks, and Open Space
- Transportation and Circulation
- Utilities and Service Systems

For each issue area, the following key components will be discussed in detail:

**Existing Setting** – This component will describe the existing affected environment as it pertains to each issue area. This section will be based on the information provided in the Existing Conditions Report (Task 2).

**Regulatory Framework** – This component will review federal, state, and local regulations and/or plans that apply to the specific issue area being discussed.

**Impacts and Mitigation Measures** – Adverse environmental impacts resulting from implementation of the General Plan Update will be identified, analyzed, and a determination will be made as to the significance of the impact. Any feasible mitigation measures and/or proposed General Plan policies that would reduce or eliminate potentially significant impacts will be identified. De Novo will work closely with City staff on crafting mitigation measure language and timing that is appropriate for inclusion in the General Plan Update and is suitable for use in the typical development review process.

CHAPTER 4 CUMULATIVE IMPACTS

De Novo will assess the impacts of General Plan and CAP implementation in combination with other known, approved or reasonably foreseeable development activity in the region. This

analysis will be performed consistent with State CEQA Guidelines and be based on a list of known projects in the region as well as development forecasts contained in the City, as well as consideration of General Plan updates in the region. A table summarizing projected regional growth will be provided. A clear cumulative setting for each environmental topic will be described in the Draft EIR.

The cumulative analysis will address each topic covered in the environmental analysis (e.g., water supply, traffic, biological resources, etc.) and will identify appropriate mitigation measures for any significant impacts identified. The potential for the General Plan Update to induce growth, either through designation of land for growth, extension of services and infrastructure, or other project characteristics that may encourage and facilitate growth in the area, will be evaluated.

CHAPTER 5 OTHER CEQA REQUIREMENTS

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The chapter will address other topics required by CEQA including significant irreversible environmental effects, a summary of significant and unavoidable impacts of the project, identification of environmental areas that would have no or less than significant impact, and an evaluation of the project related to each of the mandatory findings of significance identified at Section 15065 of the CEQA Guidelines.

CHAPTER 6 ALTERNATIVES ANALYSIS

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De Novo will coordinate with City staff in the development of up to four alternatives to the proposed project, including the CEQA-required No Project Alternative. The alternatives analysis in the Draft EIR will focus on alternatives that avoid or minimize environmental effects as compared to the proposed General Plan Update. These alternatives will be described qualitatively and quantitatively, and contrasted with the proposed project in terms of the extent that the alternatives can achieve project objectives or reduce adverse impacts. It is anticipated that the alternatives analysis will be closely coordinated with General Plan Update planning work and will address issues of concern identified by the community.

This analysis will be presented in a separate chapter of the EIR and will include a comparative matrix of the alternatives to the proposed project based on the significant environmental effects identified in the Draft EIR. Based on this analysis, the environmentally superior alternative will be identified as required by CEQA.

CHAPTER 7 REPORT PREPARERS AND REFERENCES

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This chapter would identify all persons assisting in the preparation of the EIR as well as agencies and materials referenced for preparation of the EIR.

DRAFT ENVIRONMENTAL IMPACT REPORT PUBLICATION

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Upon receiving comments on the Administrative Draft EIR, the De Novo team will make the edits and generate a “Screencheck Draft EIR” for City review before Draft EIR production and public review. Any final City edits will be incorporated into the Draft EIR.

De Novo will attend and participate in one public meeting on the Draft EIR, which will include preparation of a presentation on the content of the Draft EIR, including the major findings, and an overview of the CEQA process.

In order to keep Draft EIR copy costs down, De Novo may have the technical appendices placed on a CD that will be included in a sleeve in the back of the Draft EIR. De Novo will also place the Draft EIR on the General Plan Update website and be responsible for printing and distribution of the Draft EIR to the State Clearinghouse. We will prepare a Notice of Availability for the Draft EIR; it is anticipated that the City will have one round of review of the draft notice.

As described under the General Plan Update Scope of Work above, De Novo will attend public workshops and hearings to receive comments on the Draft General Plan and EIR. De Novo will provide City staff with support in preparation for these meetings, including preparation of draft staff reports and powerpoint presentation. We will attend meetings prepared to present the Draft General Plan and Draft EIR, and to answer questions regarding the scope and content of the documents.

**TASK 3 FINAL ENVIRONMENTAL IMPACT REPORT**

**TASK 3A – FINAL EIR AND MITIGATION MONITORING AND REPORTING PROGRAM**

At the conclusion of the Draft EIR public review period, the De Novo team will respond to all written comments received by the City. Upon completion, copies of the Administrative Final EIR will be forwarded to the City for review. The Final EIR document will include the comment letters, responses, and revisions to the Draft (text to be revised will be shown as an excerpt demarcated with underline for new text and ~~striketrough~~ for deleted text) will comprise the Final Environmental Impact Report (Final EIR), which will be a separately bound document.

With respect to the Final EIR and Response to Comments, the De Novo team anticipates 50 comment letters of normal detail (two to three pages in length), based upon our prior experience with projects of similar scope. Excess comments and/or complex comments that require additional technical analysis will be considered outside of this scope of work and cost estimate. We also assume one round of City review of the Administrative Final EIR and one round of City review of the Screencheck Final EIR prior to public release.

The Final EIR will include a comprehensive Mitigation Monitoring and Reporting Program (MMRP) pursuant to Section 21081.6 of the Public Resources Code. De Novo will draft the MMRP using the information contained within the environmental analysis, including the specific mitigation measures, and how the mitigation measures will be incorporated into the General Plan Update. It is intended that each mitigation measure will be incorporated into the General Plan as a policy or implementation program, and that there will not be separate measures to monitor and enforce following adoption of the General Plan. As described under Task 3, the General Plan will include an implementation program that identifies how each implementation measure will be implemented, including the City department responsible for implementation, the funding source(s), and timing of implementation.

**TASK 3B – CEQA FINDINGS OF FACT/STATEMENT OF OVERRIDING CONSIDERATIONS**

CEQA Findings of Fact/Statement of Overriding Considerations (Findings) will be prepared that identify each potentially significant and significant impact, describe mitigation for the impact, and the resultant level of significance after mitigation. The Findings will identify each alternative and, if the alternative was not selected as the proposed project, identify why the alternative was not feasible and considerations for not selecting the alternative. For each

significant and unavoidable impact, the Findings will identify economic, legal, social, technical, or other defensible reasons why the project should be approved in light of the significant effects of the project.

#### **TASK 4 – MEETINGS, HEARINGS, AND PROJECT MANAGEMENT**

As described under Task 5 of the General Plan Update Scope of Work above, De Novo will attend the public hearings for Planning Commission recommendations and City Council consideration of the General Plan and EIR. For each hearing, De Novo will provide City staff with support in preparation for these meetings, including preparation of draft staff reports and powerpoint presentations. We will attend meetings prepared to present the Draft General Plan and Draft EIR, and to answer questions regarding the scope and content of the documents. The De Novo team will prepare a Notice of Determination (NOD) that will be filed by the City upon project approval by the City Council.

As described under Task 6 of the General Plan Update Scope of Work above, De Novo will attend regular meetings with City staff to ensure that the project is on time, on budget, and that any issues are quickly resolved. De Novo will also be available for regular status meetings with the Planning Commission and City Council.

### **C. CLIMATE ACTION PLAN**

#### **INTRODUCTION**

The preparation of a Climate Action Plan will guide future efforts within the City of Campbell towards the achievement of cost effective greenhouse gas emissions reductions. The CAP will provide a means for integrating the City's climate change planning efforts and development review requirements for GHGs into the City's updated General Plan.

In order to prepare the Climate Action Plan for Brentwood, we are proposing that the City become a full member of ICLEI- Local Governments for Sustainability. ICLEI is an international association of local governments as well as national and regional local government organizations who have made a commitment to sustainable development and reductions in GHG emissions.

ICLEI provides technical consulting, training, and information services to build capacity, share knowledge, and support local government in the implementation of sustainable development at the local level. The primary reason that the City would want to join ICLEI as part of this CAP process is to gain access to their comprehensive climate planning software packages and resources. The software estimates emissions derived from energy consumption and waste generated within a community, determining emissions using specific factors (or coefficients) according to the type of fuel used. Emissions are aggregated and reported in terms of carbon dioxide equivalent units, or eCO<sub>2</sub>. Converting all emissions into carbon dioxide equivalent units allows for the consideration of different greenhouse gasses in comparable terms. For example, methane is 21 times more powerful than carbon dioxide in its capacity to trap heat, so the model converts one ton of methane emissions to 21 tons of eCO<sub>2</sub>.

The emissions coefficients and methodology employed by the software are consistent with national and international inventory standards established by the Intergovernmental Panel on Climate Change (1996 Revised IPCC Guidelines for the Preparation of National GHG Emissions Inventories), the U.S. Voluntary Greenhouse Gas Reporting Guidelines (EIA form 1605), and, for emissions generated from solid waste, the U.S. EPA's Waste Reduction Model (WARM).

The ICLEI software package is the most commonly used platform for the development of Baseline Emissions Inventories and the quantification of the effectiveness of GHG reduction measures in a Climate Action Plan. The De Novo team has used this software to prepare other CAPs in California, and we are well versed in its use and function.

This scope of work does not assume that ICLEI staff will provide any assistance to the project team, beyond the release of the necessary software and the support tools that go along with it. The De Novo team and the City cannot gain access to the ICLEI software without the City becoming a member of ICLEI.

The cost of membership into ICLEI will be \$600 per year for the City (based on City-wide population). This membership cost is not included in our project budget. It is assumed that the City will maintain full ICLEI membership for the duration of our work program. Upon receipt of membership approval, the City will have full access to the software package, which will be used throughout all stages of the CAP process. Upon completion of the CAP project, the City will retain access to the software, which can be used to track implementation progress of the CAP, and to conduct periodic updates of the CAP. This proposal and scope of work is based on the assumption that the City will join ICLEI, and that the De Novo team will have access to use the ICLEI software throughout the process.

### **THE FIVE MILESTONE PROCESS**

Development of the Climate Action Plan will employ a five milestone process, which has been extensively used throughout California in recent years in the preparation of Climate Action Plans:

1. Develop a Baseline Emissions Inventory
2. Establish and Adopt an Emissions Reduction Target
3. Develop a Climate Action Plan
4. Implement the Climate Action Plan
5. Monitor and Evaluate Progress

### **TASK 1 – DEVELOP A BASELINE GHG EMISSIONS INVENTORY**

#### **TASK 1A PROJECT INITIATION AND KICKOFF MEETING**

Our first step in the process will be to meet with City staff and representatives from relevant agencies, if appropriate, to discuss our approach to the preparation of the CAP and Baseline Emissions Inventory. This meeting would address the overall approach to the CAP, including its outline (see Task 3c) and concurrent preparation of the General Plan and EIR to ensure that two documents are integrated seamlessly. The meeting will also focus on data sources and

availability, team roles in the collection of baseline data, and the selection of a suitable baseline year for analysis. Many jurisdictions in California that have recently prepared CAPs have selected 2005 as the base year. However, the City may prefer to select a more recent year for the baseline analysis (2009 or 2010 may be appropriate, depending on the availability of data).

The kickoff meeting will be used to establish protocols for project communications, begin initial data collection and review available data sources. We will also assist the City in the preparation of the application materials to join ICLEI. The application process is relatively simple, and can be completed within two days of project initiation. As previously stated in this proposal, the membership costs for joining ICLEI are not included in our project budget.

The De Novo team will present suggestions for the organization and categorization of the baseline emissions inventory. For example, the City may want to divide emissions into two primary categories: 1) Municipal Operations, and 2) Community-wide Emissions. These two categories would then be broken down into more specific subcategories such as: Energy Consumption, Solid Waste, Vehicle Fuel Usage, and Major Stationary Sources. We will provide suggestions to the City based on our past experience conducting baseline emissions inventories, and other commonly applied practices in the preparation of CAPs.

*Deliverables:*

- *Suggested work program for data collection and communication protocols*
- *Suggested breakdown and categorization of emissions sources*
- *ICLEI membership forms*
- *Detailed schedule for completion of the Baseline Emissions Inventory*

**TASK 1B- CONDUCT A BASELINE EMISSIONS INVENTORY AND FORECAST**

The De Novo team will complete a comprehensive inventory of GHG emissions for the City of Campbell. The inventory will address emissions associated with municipal operations and community-wide operations, both of which will be further divided into subcategories, as described under Task 1A. De Novo will assume primary responsibility for the collection of data. However, for many of the municipal emissions data, we will rely on appropriate City staff to assist with data collection. We have prepared form templates that will facilitate this effort.

Once the baseline emissions data has been collected, the data will be entered into the GHG software, and all GHG emissions will be converted into CO2 equivalents. The De Novo team will prepare a detailed Baseline Emissions Inventory Report, which will include the following:

- Introduction
  - Baseline Emissions Inventory Report: Purpose
  - Overview of Campbell's existing GHG reduction efforts
  - Summary of the effects of global climate change
  - Summary of the current regulatory environment for climate change
- Emissions Inventory

- Reasoning, Methodology and Model
  - Emissions analysis software
  - Inventory sources and data collection process
- Inventory Results
  - Community-level emissions inventory (separated by source)
  - Municipal operations emissions inventory (separated by source)
- Forecast for Greenhouse Gas Emissions
- Conclusions

The GHG “business as usual” forecasts will be prepared for the years 2025 and 2035. The emissions forecasts will utilize City growth projections developed for the preferred General Plan Land Use Map. These projections will then be adjusted for State- or Federally-mandated efficiency efforts including the Pavley low-emission vehicle standards, Low Carbon Fuel Standard, Renewable Portfolio Standard, and CAFÉ standards.

The Baseline Emissions Inventory Report will be written in a clear and concise manner, and will be understandable to the lay-person. All technical data, including model inputs and assumptions used in the analysis will be presented in appendices to the Report.

A Draft Baseline Emissions Inventory Report will be presented to the GPAC for review and comment. The De Novo team will lead a presentation to the GPAC to explain the approach and findings of the Report. Comments received from City staff and members of the GPAC will be incorporated into the Report, and Final Baseline Emissions Inventory Report will be prepared. The De Novo team will then present the Final Baseline Emissions Inventory Report to the City Council.

### **TASK 2- ESTABLISH EMISSIONS REDUCTION TARGET**

After completion of the Baseline Emissions Inventory Report, the De Novo team will prepare a comprehensive memorandum that provides suggestions for the selection of a Target Reduction Goal. The memo will include a summary of the regulatory requirements applicable to the CAP (such as AB 32 and SB 375), and will include a summary of reduction targets adopted by other jurisdictions in California, including those endorsed by the Attorney General’s office and the California Air Resources Board (CARB).

Based on the results and findings in the Baseline Emissions Inventory Report, we will prepare an overview and summary of various strategies that may be employed to reach the Target Reduction Goal, and discuss the feasibility of these strategies, both in terms of implementation and in meeting the potential Target Reduction Goal.

The results of the Baseline Emissions Inventory and the summary of potential Target Reduction Goals and implementation strategies will be presented to the GPAC and the City Council. The City Council will be asked to formally select the Target Reduction Goal to be used in the Climate Action Plan.

### **TASK 3- PREPARE DRAFT CLIMATE ACTION PLAN**

After a percentage reduction target has been selected by the City Council, the De Novo team will prepare a comprehensive plan to reduce GHG emissions. The Climate Action Plan will contain measures and policies that reduce GHG emissions based on the categories and subcategories from the Baseline Emissions Inventory.

The Climate Action Plan will include all of the information contained in the Baseline Emissions Inventory, including a discussion of existing climate change science, the effects and impacts of climate change (with particular emphasis on how Brentwood may be impacted), and a summary of actions currently being taken by State, Federal and local agencies on climate change. The CAP will also include a summary of the Baseline Emissions Inventory Results, and the emissions forecasts for “business as usual” for the years 2025 and 2035.

The measures and policies in the CAP will build off of efforts associated with development of the General Plan, and will be reflective of the community input received with respect to the vision and priorities of the General Plan Update.

The measures and policies for reducing GHG levels that are developed will be specific to the City of Campbell, and will provide the City and the development community with a clear and implementable toolkit that can be used to streamline the subsequent review of development projects with respect to GHG impacts. The measures and policies will apply comprehensive strategies to reduce GHG emissions levels associated with both community and municipal operations.

#### **TASK 3A- IDENTIFY PRELIMINARY EMISSIONS REDUCTION MEASURES**

A preliminary list of GHG reduction measures for possible inclusion in the CAP will be prepared and presented to City staff and the GPAC for review and consideration. The list will be built based on a review of best practice documents and strategies, recently adopted CAPs in the region, and regulatory guidance provided by CARB, the BAAQMD and the Attorney General’s Office. Emission reduction measures will be identified in primary categories such as energy, transportation and land use, and solid waste. Emissions reductions strategies will be developed to address both community and municipal emissions sources.

#### **TASK 3B- EVALUATE EMISSIONS REDUCTION MEASURES**

Once the preliminary GHG reduction measures, developed under Task 3A, have been reviewed and evaluated by the GPAC and City staff, the list of measures will be further refined and expanded, as-needed. As each measure or policy is developed, we will create assumptions regarding the effectiveness and implementation for each measure. The assumptions will be based on similar assumptions used in other jurisdictions for similar measures, information developed by the California Air Pollution Control Officers Association (CAPCOA) Climate Protection Committee, and our vast experience in developing and implementing climate change reduction strategies for General Plans and EIRs.

As each measure or policy is developed, we will utilize the GHG software program to estimate the effectiveness of each measure or policy in reducing GHG levels and in meeting the Target Reduction Goal. By quantifying the effectiveness of measures during the development of the CAP, we will be able to focus the policy development in a manner that provides maximum

benefit with respect to cost of implementation. In other words, we will figure out how the City can get the most bang for the buck from each measure or policy, which will assist in the development and prioritization of the implementation strategy.

Our team will prepare qualitative assessments for each of the measures to estimate the measure's costs, benefits, and effectiveness in terms of reducing GHGs. The results of this analysis will be provided to the Working Group for review and consideration. Our team will work collaboratively with City staff and the GPAC to prioritize the portfolio of emissions reduction measures, and develop a more refined list of measures to be included in the Draft Climate Action Plan.

### **TASK 3C- DEVELOP DRAFT CLIMATE ACTION PLAN**

The exact content and layout of the CAP will be developed in consultation with City staff, however, for the purposes of this proposal, a sample outline of the CAP is provided below:

- Executive Summary
- Introduction
  - Climate Change Impacts at the Local Level
  - Signs of Ongoing Climate Change
  - The Science Behind Climate Change
  - The Regulatory Environment related to Climate Change
  - Campbell's Commitment to GHG Reductions
  - The Five Milestones to Reduce GHGs
- Campbell's GHG Emissions and Reduction Target
  - Transportation Emissions
  - Energy Emissions
  - Solids Waste and Recycling Emissions
  - Major Stationary Source Emissions
  - Campbell GHG Forecasts
  - GHG Reduction Target
- Local Action Plan for Climate Protection Initiatives
  - Transportation and Land Use Initiatives
  - Energy Initiatives
  - Waste and Recycling Initiatives
  - Major Stationary Sources Initiatives
  - Outreach and Education Initiatives
- Implementation and Monitoring
- Technical Appendices

The GHG reductions measures will be developed based on the input received from staff and the GPAC under Tasks 3a and 3b. The effectiveness of each measure will be quantified using the

GHG software, and the total GHG emissions reductions projected through 2025 and 2035 as a result of implementation of the Climate Action Plan will be presented.

The implementation and monitoring program developed for the CAP will include summary matrix that identifies the priority for implementation of each measure, the timeframe for implementation of each measure, and identify the agency, department, or party responsible for measure implementation. Possible funding sources for the implementation of measures will be identified. A monitoring and reporting protocol will be developed as a tool for the City to use after adoption of the CAP, to ensure that priority measures are properly implemented within the timeframes identified.

The CAP will also provide a summary table of measures that would be required by future development projects. This tool will provide a clear and straight-forward reference to the development community, and will assist staff in their review of development projects for consistency with the CAP. This tool will also assist with the CEQA review of subsequent projects, and will detail how projects may be eligible for streamlined CEQA review if appropriate CAP measures are correctly integrated into project plans.

A complete Administrative Draft copy of the Climate Action Plan will be provided to staff and the GPAC for review and comment. Once comments on the Admin Draft CAP are received, the De Novo team will prepare a “screencheck” draft CAP for final review.

The Public Draft Climate Action Plan will be prepared and distributed. The exact timing of the distribution of the Draft Climate Action Plan will be determined through consultation with City staff. For the purposes of this proposal, it is assumed that the Public Draft Climate Action Plan will be released for public review concurrent with the Public Draft General Plan. It is assumed that public hearings on the Climate Action Plan will occur concurrently with hearings on the General Plan and EIR, as outlined under General Plan Task 2A.

## D. ZONING CODE UPDATE (OPTIONAL TASK)

### INTRODUCTION

One of the key components of a successful Zoning Code update for the City will be to ensure that the Zoning Code is consistent with and furthers the implementation of the General Plan update. The General Plan update will include action items that require changes or additions to the Zoning Code. Additionally, the General Plan Land Use Map may include new and redefined land use designations, which may require changes and updates to the City's existing zoning designations and allowed uses. We will apply our extensive and detailed knowledge of the City developed during the General Plan update to this project, and ensure that the City receives a Zoning Code that furthers the goals and vision developed for the General Plan.

The Zoning Code update will focus on changes to the existing Code identified by staff, input provided by the GPAC, changes in applicable State law since the last Code was prepared, and identification of changes required to ensure the Code is consistent with the General Plan update. The resulting product will be a Zoning Code that is well organized and provides clear and understandable guidance to City residents, staff, and elected officials.

Our work effort for this project will include a comprehensive update to the City's Zoning Map. The Zoning Map update will ensure that parcels have consistent designations for both Land Use and Zoning, and that the Zoning Map reflects the land use goals and priorities identified in the General Plan. The City will be provided with all updated GIS files at the end of this process, which will allow City staff to continue to utilize this data well after our work efforts have been completed.

It is anticipated that the work program for the Zoning Code Update will be further refined once the Draft General Plan is completed. The content and policy direction contained in the General Plan Update will significantly influence the scope and content of the Zoning Code Update.

### TASK 1 ADMINISTRATIVE DRAFT ZONING CODE

The De Novo team will prepare a comprehensive update to the City's Zoning Code in administrative draft format, to be used for internal staff review. The comprehensive update to the Zoning Code will be based on input from City staff; updates required by the California Government Code, California Building Code, State and Federal Laws, and local ordinances; policies and action items contained in the General Plan Update; input from the City Council and Planning Commission; public and stakeholder input; and direction received from the GPAC. We will also meet and consult with City departments.

#### TASK 1A DOCUMENT REVIEW AND ISSUES IDENTIFICATION

While City staff and the GPAC will provide our team with a critique of the existing Zoning regulations and provisions, the De Novo team will also evaluate and review the regulations and provisions in detail. The product of this subtask will be a list and summary report of issues and concerns that need to be addressed in the process of drafting the Zoning Code update. This review will emphasize consistency with all applicable laws and regulations, consistency with the General Plan, items identified by staff, and suggestions for improvements to implementation

procedures. The Issues Summary Report developed under this task will serve as a broad roadmap to guide the update of the Zoning Code.

#### **TASK 1B DRAFT FORMAT AND OUTLINE**

Based on input received from staff, the public and the GPAC, De Novo will prepare a draft annotated outline, style sheet, and sample chapter to illustrate the proposed format and style of the Zoning Code. After staff review, we will discuss any desired changes and direction for the preparation of the Zoning Code chapters.

#### **TASK 1C ADMINISTRATIVE DRAFT ZONING CODE PREPARATION**

The order of preparation of the administrative draft segments of the Zoning Code begins with chapters that are not likely to be significantly affected by the pending General Plan update (administrative and permit procedures, density bonus requirements, second unit ordinance, landscaping standards, parking standards, etc.), and will conclude with the sections containing chapters that are likely to be the most influenced by pending General Plan update changes (allowed uses by zone and development standards by zone). De Novo realizes that the Zoning Code document must be organized in the manner most useful to the City. The following outlines the general organization we anticipate will best meet the City's needs; the organization may be revised based on the outcome of the Public Participation process and Issues Summary Report. De Novo will support any preferences the City has in terms of consolidating sections or developing and providing information in separate chapters.

##### **ADMINISTRATIVE PROVISIONS**

The De Novo team will first draft chapters of the Code containing the introduction to the Code, administrative procedures, development application filing and processing procedures, and an overview of zoning districts established by the Code. At a minimum, these provisions will address:

- Purpose and adoption of the Zoning Code;
- Overview of zoning districts established by the Zoning Code;
- Definitions of the roles of each project review entity;
- Administrative procedures for discretionary land use permits, amendments, appeals, nonconforming uses, structure, lot and site improvement provisions, public hearings, etc. Additionally, procedures and associated provisions related to the preparation, review, filing, adoption, and amendment of development agreements and specific plans will be included; and
- Code enforcement provisions.

##### **ZONING DISTRICTS, ALLOWABLE USES, AND DEVELOPMENT STANDARDS PROVISIONS**

The De Novo team will prepare the chapters of the Zoning Code containing regulations applicable in specific zones and any newly developed overlay zones prepared for the Zoning Code. At a minimum, these provisions will address the following:

- A land use classification system that clearly identifies the uses that may be allowed in each zoning district. The classifications system will utilize current planning terminology, and an appropriate combination of specific and generic land use types, rather than a lengthy list of allowed uses that can quickly become obsolete.
- Summary table that identifies minimum parcel size and density standards established for each zoning district.
- Summary table that identifies general development standards, including setbacks, lot coverage, maximum building heights, open space, etc., for each zoning district.
- The zones, the land uses allowed within them, and the type of ministerial or discretionary land use approvals required for each use. It is anticipated that new zoning designations will be developed in order to implement the land use designations established by the General Plan update.
- The update will specifically implement measures established by the General Plan update, including the recently adopted Housing Element, to ensure consistency between the General Plan and Zoning Code and to bring the Zoning Code into compliance with state law as the law relates to accommodating housing needs.
- Development standards unique to each individual zone will be developed. Development standards will address factors such as height limitations, setback requirements, site coverage requirements, etc. Development standards will be organized into tables to provide clarity and ease of reference.
- Overlay districts to provide for the production of energy, protect natural resources, or provide for planned development will be developed through consultation with City staff and the GPAC. Standards for the siting and design of proposed development within each overlay zone will be developed.

### GENERAL DEVELOPMENT AND SITE PLANNING PROVISIONS

The De Novo team will develop chapters of the Zoning Code that contain regulations which apply to multiple zones and overlay districts (energy production, etc.). At a minimum, these provisions will address the following:

- Landscaping standards;
- Parking and loading standards;
- Lighting standards;
- Density bonus provisions;
- Tree protection standards;
- Historic preservation;

- Flood damage prevention;
- Telecommunications facilities; and
- Sign regulations.

#### SPECIAL USE PROVISIONS

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Special use provisions will be identified and standards will be developed. At a minimum, these will include:

- Downtown and economic corridor frontages and facades;
- Second unit regulations;
- Emergency shelters and transitional housing facilities;
- Condominium conversion;
- Mobile home park conversion;
- Residential care facilities; and
- Temporary uses.

#### RESOURCE MANAGEMENT PROVISIONS

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This work effort will include the development of standards for specific land uses related to resource conservation efforts and open space uses. These specific uses and standards to be developed will be determined through consultation with City staff and the GPAC.

#### ZONING MAP UPDATE

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The De Novo team will prepare a comprehensive update to the Citywide Zoning Map. The update will be completed at a parcel-specific level for all parcels located within the City limits. The Zoning Map will be updated to reflect changes to the Citywide General Plan Land Use Map, and to ensure consistency between the Land Use and Zoning Maps.

The updated Zoning Map will be developed through extensive consultation with staff and the GPAC. In many instances, there will be multiple zoning districts that are consistent and compatible with land use designations shown on the General Plan Land Use Map.

The process of developing the draft Zoning Map will be very similar to the process used to develop the draft General Plan Land Use Map. Input received from the community outreach workshops will be considered and reflected in the draft map, input from the GPAC will be incorporated into the draft map, and the GPAC will be provided significant and meaningful opportunities to review and comment on the Zoning Map as it is developed.

At the conclusion of the Zoning Map update, we will provide the City with all GIS data and maps developed during this phase of the scope of work.

### **TASK 1D ZONING CODE FINALIZATION**

Following completion of Task 1c, De Novo Planning Group will prepare a screencheck draft Zoning Code that addresses the comments received from City staff and any input from the GPAC. Following City staff approval of the screencheck draft, De Novo will prepare a draft Zoning Code for public review.

At the conclusion of the public review period for the draft Zoning Code, the De Novo team will meet with staff and the City Council to discuss and review any public comments received on the document. Potential changes and edits will be discussed, and a final Zoning Code will be prepared for adoption.

## **SUMMARY OF PROJECT DELIVERABLES**

The following provides a summary of the deliverables associated with this scope of work:

- A Vision Statement coordinated through the GPAC and approved by the City Council.
- Meeting minutes for all GPAC and Community meetings.
- All public notices for the environmental review process.
- Preparation of a Climate Action Plan (CAP).
- Completion of a study of how the City's land uses (and adjacent jurisdictions) will affect economic and service implications (the Land Use Alternatives Report).
- An analysis (pros and cons) of development within the Priority Development Area (PDA) (the Land Use Alternatives Report).
- An Administrative Draft Environmental Impact Report (including seven hard copies and one electronic).
- A Screen Check Draft Environmental Impact Report (including seven hard copies and one electronic version).
- A Public Draft Environmental Impact Report (including twenty hard copies and one electronic version).
- A Final Environmental Impact Report (including twenty hard copies and one electronic version).
- An Administrative Draft General Plan (including seven hard copies and one electronic version).
- A Screen Check Draft General Plan (including seven hard copies and one electronic version per submittal).
- A Final General Plan (including twenty hard copies and one electronic version per submittal), which includes:

- The mandatory elements, diagrams, goals, policies, strategies, etc. that are consistent with current State law and Office of Planning and Research (OPR) guidance;
  - New elements which include Economic Development & Feasibility, Community Services & Facilities, Health & Wellness, Sustainability, and Implementation;
  - A technical memo identifying any required modifications to the recently adopted Housing Element to ensure consistency with changes to other elements of the Envision Campbell Plan (if updates to the Housing Element are required, a proposal and cost estimate for this effort will be provided);
  - A user-focused design approach, so that the document is easy to navigate, avoids redundancies, internally consistent with appropriate design of text and graphics; the format should also lend itself to a direct and efficient method for annual reporting to the community and to the State of the progress of the City in satisfying its goals;
  - Potential text and diagrams within the land use element that express community intentions regarding “form” and “design” of developments, in accordance with Government Code Section 65302.4.
  - A glossary and keyword index;
  - Expanded use of diagrams and illustrations to help visualize how the Envision Campbell document will be implemented;
  - Incorporation (and potentially modification) of the City’s various Master, Neighborhood, and Development Plans into the Envision Campbell Plan;
  - Incorporation of the City’s existing streetscape standards as illustrations within the Circulation Element;
  - Incorporation of other existing maps and guidelines contained on the following link <http://www.cityofcampbell.com/166/Zoning-and-Land-Use> keeping in mind that many of these documents may be more appropriately kept out of the General Plan because they are modified from time to time. The consultant should provide guidance in this regard.
- A Zoning Ordinance. The Zoning Ordinance may include, but not be limited to the following:
    - An organization and format that is easy to read and understand, and is consistent in terms of processes and requirements;
    - Simplified use classifications;
    - Graphics that illustrate regulations and make the Code easy to use;
    - Design Review Standards, including findings necessary to support projects.

## Campbell General Plan Update, Climate Action Plan and EIR Proposal

- Provisions that will help the City achieve high-quality infill projects that are compatible with the context of existing development in the area.
- Contemporary terms and definitions.
- The cost to prepare the Zoning Ordinance has been determined to be \$87,380 at the time of approving this scope of service. If the type of Zoning Ordinance is determined to change beyond what the proposal anticipated (i.e., changing from Euclidean Zoning to Form-Based), then the services and costs would be renegotiated at that time.

## PROJECT ROLES AND ORGANIZATION

The table below identifies key staff members and their respective roles and tasks for this project. The hours allocated to each key task are identified in the project budget. All key personnel will be available to the extent proposed for the duration of the project, and no person identified below shall be removed or replaced without prior written concurrence of the City.

Firm	Key Staff	Project Role
<b>De Novo Planning Group, Inc.</b> <i>California Corporation</i> 1020 Suncastr Lane, Suite 106 El Dorado Hills, CA 95762 916-949-3231	Ben Ritchie, Principal Beth Thompson, Principal Steve McMurtry, Principal Josh Smith, Associate	<ul style="list-style-type: none"> <li>• Project Management/ Quality Control</li> <li>• Existing Conditions Report</li> <li>• Issues and Opportunities Report</li> <li>• Land Use Alternatives Report</li> <li>• Policy Development</li> <li>• General Plan Preparation</li> <li>• Public Outreach Facilitation</li> <li>• EIR Preparation</li> <li>• Climate Action Plan Preparation</li> <li>• Staff Reports</li> </ul>
<b>Fehr and Peers</b> <i>California Corporation</i> <i>Licensed Traffic Engineers</i> 160 W. Santa Clara St., Suite 675 San Jose, CA 95113 (408) 278-1700	Jane Bierstedt, Principal Sarah Peters, Project Manager	<ul style="list-style-type: none"> <li>• Background Report (Traffic)</li> <li>• Land Use Alternatives Report</li> <li>• GP Circulation Element</li> <li>• EIR Traffic Analysis</li> </ul>
<b>New Economics and Advisory (NEA)</b> <i>Economists</i> 951 Reserve Drive, Suite 120 Roseville, CA 95678 (916) 538-9857	Isabel Domeyko, Principal	<ul style="list-style-type: none"> <li>• Background Report</li> <li>• Economic Market Analysis</li> <li>• Fiscal Analysis</li> <li>• Land Use Alternatives Report</li> <li>• Fiscal and Economic Development Policy Approach</li> </ul>
<b>J.C. Brennan and Associates</b> <i>California Corporation</i> <i>Certified Acoustical Engineers</i> 1287 High Street Auburn, CA 95603 (530) 823-0960	Jim Brennan, President Luke Saxelby, INCE	<ul style="list-style-type: none"> <li>• Background Report (Noise)</li> <li>• GP Noise Element</li> <li>• EIR Noise Analysis</li> </ul>
<b>Peak and Associates</b> <i>California Corporation</i> <i>Registered Professional Historians</i> 3941 Park Drive, Suite 20 #329 El Dorado Hills, CA 95762 (916) 939-2405	Melinda Peak Neal Neuenschwander	<ul style="list-style-type: none"> <li>• Background Report (Cultural)</li> <li>• EIR Cultural Analysis</li> </ul>
<b>Maxey Architecture &amp; Urban Planning</b> <i>Licensed Architect</i> P.O. Box U Carmel, CA 93921 (831) 236-0817	Carl Maxey, AICP, LEED AP + ND	<ul style="list-style-type: none"> <li>• Urban Design</li> <li>• Graphic Development</li> <li>• Conceptual Mapping</li> </ul>

## SCHEDULE

We are committed to completing our entire work effort within the schedule identified in this proposal. The schedule below, while aggressive, is realistic based on our recent experience completing comparable projects. Our team is committed to completing the General Plan Update, EIR and Climate Action Plan within a 26-month schedule. We anticipate that the City will complete review of all administrative draft documents within two weeks and all screencheck draft documents within one week. City staff review of draft staff reports, powerpoint presentations, meeting agendas and materials, etc. is anticipated to occur within two to four working days, unless the materials are exceptionally lengthy.

<b>Project Task</b>	<b>Duration</b>	<b>General Timeframe</b> <i>(from formal project kickoff date)</i>
Public Visioning/Outreach <i>(see Table under Task 2A for additional details)</i>	2 months	Months 1-2
Existing Conditions Report	4 months	Months 2-5
Land Use Alternatives Report (includes Issues and Opportunities Report)	4 months	Months 5-8
GPAC Development of Admin Draft General Plan	16 months	Months 4-20
Refinement of Draft General Plan and Public Review	2 months	Months 21-22
Draft EIR	6 months	Months 18-22
Draft Climate Action Plan	12 months	Months 11-22
Final General Plan, Final EIR, and Final CAP	4 months	Months 23-26
Final Adoption Hearings	2 months	Months 25-26
Zoning Code Update	TBD	After Month 26
<b>Total</b>		<b>26 Months</b>

## BUDGET

The budget table on the following page identifies the costs associated with completion of the scope of work identified in this proposal. De Novo will submit monthly invoices to the City which identify the tasks completed each month and the month's billings towards each task. The total budget is a fixed fee, not-to-exceed cost for completion of the project. Monthly billings shall be completed on a milestone basis, meaning that the pace of billing towards each task shall roughly correspond to the progress towards completion of each task. De Novo reserves the right to shift or reallocate costs between tasks, provided that the adjustments do not increase the overall project budget. Any proposed adjustments between project task budgets will be discussed with the City ahead of time.

**Campbell General Plan Update, Climate Action Plan, and EIR Proposal**

**PROJECT BUDGET**

TASK/ACTIVITY	Project Manager/ Principal	Associate Planner	GIS and Graphics	Admin	De Novo Subtotal		Traffic Fehr & Peers	Econ/Fiscal New Economics	Noise J.C. Brennan	Cultural Peak	Design Maxey	Direct Costs Printing	Cost
	\$135/hour	\$100/hour	\$85/hour	\$70/hour	Hours	Cost							
<b>TASK A: GENERAL PLAN UPDATE</b>													
Task 1: Project Initiation	32	16	10	4	62	\$7,050	\$6,800	-	-	-	-	-	\$13,850
Task 2: Community Participation Program	550	180	98	24	852	\$102,260	-	-	-	-	\$7,500	\$2,900	\$112,660
Task 3: Existing Conditions Report	350	320	76	16	762	\$86,830	\$64,930	\$55,850	\$4,020	\$4,910	-	\$2,400	\$218,940
Task 4: Issues and Opportunities/Land Use Alts Report	220	95	40	10	365	\$43,300	\$16,230	\$11,040	-	-	\$7,500	\$1,200	\$79,270
Task 5a: Draft General Plan	420	140	40	24	624	\$75,780	\$27,380	\$10,740	\$1,120	-	\$10,000	\$2,800	\$127,820
Task 5b: Final General Plan	80	40	12	16	148	\$16,940	\$5,290	-	-	-	-	\$1,400	\$23,630
Task 6: Meetings and Project Management	210	36	0	0	246	\$31,950	\$14,700	\$9,650	-	-	-	-	\$56,300
<b>TASK A SUBTOTAL</b>	<b>1,862</b>	<b>827</b>	<b>276</b>	<b>94</b>	<b>3,059</b>	<b>\$364,110</b>	<b>\$135,330</b>	<b>\$87,280</b>	<b>\$5,140</b>	<b>\$4,910</b>	<b>\$25,000</b>	<b>\$10,700</b>	<b>\$632,470</b>
<b>TASK B: ENVIRONMENTAL IMPACT REPORT</b>													
Task 1: EIR Project Initiation (Kick-off, NOP, Scoping)	32	8	6	4	50	\$5,910	-	-	-	-	-	\$600	\$6,510
Task 2: Draft Environmental Impact Report	208	195	58	16	477	\$53,630	\$60,380	-	\$8,210	-	-	\$2,200	\$124,420
Task 3: Public Hearings	16	8	0	0	24	\$2,960	-	-	-	-	-	-	\$2,960
Task 4: Final Environmental Impact Report	120	68	12	16	216	\$25,140	\$4,240	-	-	-	-	\$1,300	\$30,680
Task 5: Meetings and Project Management	45	16	0	0	61	\$7,675	-	-	-	-	-	-	\$7,675
<b>TASK B SUBTOTAL</b>	<b>421</b>	<b>295</b>	<b>76</b>	<b>36</b>	<b>828</b>	<b>\$95,315</b>	<b>\$64,620</b>	<b>\$0</b>	<b>\$8,210</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,100</b>	<b>\$172,245</b>
<b>TASK C: CLIMATE ACTION PLAN</b>													
Task 1: Develop Baseline GHG Inventory	44	140	24	8	216	\$22,540	-	-	-	-	-	-	\$22,540
Task 2: Establish Emissions Reduction Target	20	16	0	2	38	\$4,440	-	-	-	-	-	-	\$4,440
Task 3: Prepare Climate Action Plan	120	96	32	10	258	\$29,220	-	-	-	-	-	\$800	\$30,020
Task 4: Implementation and Monitoring	42	40	0	0	82	\$9,670	-	-	-	-	-	-	\$9,670
<b>TASK C SUBTOTAL</b>	<b>226</b>	<b>292</b>	<b>56</b>	<b>20</b>	<b>594</b>	<b>\$65,870</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800</b>	<b>\$66,670</b>
<b>Subtotal Hours</b>	<b>2,509</b>	<b>1,414</b>	<b>408</b>	<b>150</b>	<b>4,476</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cost</b>	<b>\$338,715</b>	<b>\$141,400</b>	<b>\$34,680</b>	<b>\$10,500</b>	<b>-</b>	<b>\$525,295</b>	<b>\$199,950</b>	<b>\$87,280</b>	<b>\$13,350</b>	<b>\$4,910</b>	<b>\$25,000</b>	<b>\$15,600</b>	<b>\$871,385</b>
<b>Optional Task: Zoning Code Update</b>													
Hours	380	216	60	30	686	-	-	-	-	-	-	-	-
Cost	\$51,300	\$21,600	\$5,100	\$2,100	-	\$80,100	-	-	-	-	\$6,000	\$1,280	\$87,380

Note: Subconsultants and Direct Costs are billed at no markup.  
De Novo Planning Group reserves the right to reallocate budget between various consulting team members and between tasks, provided the overall project budget does not change.

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL AUTHORIZING THE CITY MANAGER TO AWARD AND EXECUTE A CONSULTANT SERVICES AGREEMENT WITH THE DE NOVO PLANNING GROUP TO FACILITATE PREPARATION OF THE ENVISION CAMPBELL PLAN (GENERAL PLAN), THE ENVIRONMENTAL IMPACT REPORT, CLIMATE ACTION PLAN, AND ZONING ORDINANCE**

**WHEREAS**, the City Council identified the update to the General Plan as a Fiscal Year 2015-16 Council Strategic Priority and created a budget to fund the project; and

**WHEREAS**, on September 15, 2015, the City Council approved the Request for Proposals (RFP) to hire a consultant, appointed a Council Subcommittee consisting of Mayor Cristina and Councilmember Gibbons to review proposals, interview consultants, and forward recommendations to the City Council for consideration; and

**WHEREAS**, on September 18, 2015, the RFP was distributed, resulting in the receipt of four proposals and subsequent invitation to interview two of those consultants; and

**WHEREAS**, on January 15, 2016 the Council Subcommittee conducted interviews and expressed a preference for the De Novo Planning Group, subsequently meeting with the preferred consultant to discuss modifications to the Scope of Work; and

**WHEREAS**, on March 1, 2016 the City Council adopted Resolution 11954 authorizing the following actions:

1. Selected De Novo Planning Group as the consultant to facilitate the preparation of the Envision Campbell Plan (General Plan), the Environmental Impact Report, Climate Action Plan, and Zoning Ordinance
2. Directed to return to Council with a financial breakdown of the consultant costs including the Zoning Ordinance
3. Authorized the City Manager to award and enter into a Professional Service agreement
4. Approved the Scope of Work changes for consultant services with direction to return to Council with the Scope of Work and introduction of the De Novo consultant team; and

**WHEREAS**, the current budget allocated to support costs associated with this project is \$150,000, resulting in a requisite budget adjustment of \$914,642.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell hereby authorizes the City Manager to execute a consultant services agreement with the De Novo Planning Group in an amount not to exceed \$958,765 and encumber a contingency not to exceed \$95,877 for a total contract amount not to exceed \$1,054,642 for services related to the Envision Campbell Plan.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of April, 2016, by the following roll call vote:

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

APPROVED: \_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST: \_\_\_\_\_  
Wendy Wood, City Clerk

## City of Campbell Request for Budget Adjustments

Department/Program	Division	Date	Request No.
Policy Development / Community Development	Community Development	April 19, 2016	BA 18 

### Budget to be Reduced

Fund	Account Number	Description	Amount
101	101.3677	General Plan Update Reserve <b>General Fund</b>	914,642

### Budget to be Increased

Fund	Account Number	Description	Amount
101	101.552.7430	Professional & Special Services	914,642

#### REASON FOR REQUEST - BE SPECIFIC:

To appropriate additional fund from General Plan Update Reserve for De Novo Planning Group to facilitate the preparation of the Envision Campbell Plan, Environmental Impact Report, Climate Action Plan, Zoning Ordinance, Envision Campbell mobile app, and food and refreshments for 25 public meetings.

Paul Kermoyan <b>Community Development Director</b>	Jesse Takahashi <b>Finance Director</b>	Mark Linder <b>City Manager</b>
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# *City Council Report*

Item: 15.  
Category: New Business  
Date: April 19, 2016

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**TITLE: AUTHORIZE THE EXPANSION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) FINANCING PROVIDERS IN THE CITY OF CAMPBELL (RESOLUTION/ROLL CALL VOTE)**

## **RECOMMENDATION**

It is recommended that the City Council adopt the following resolutions consenting to the inclusion of properties within the City of Campbell incorporated area for the following Property Assessed Clean Energy (PACE) programs to assist property owners with financing renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure:

1. In the California Statewide Communities Development Authority (CSCDA) Open PACE Programs; and
2. In the California HERO Program and approving an Amendment to the Joint Powers Agreement approving associate membership in the Western Riverside Council of Governments; and
3. In the California Home Finance Authority (CHF) Community Facilities District No. 2014-1 (Clean Energy) and approving associate membership in CHF; and
4. In the CHF PACE Program and approving associate membership in CHF.

## **BACKGROUND**

Property Assessed Clean Energy (PACE) is an innovative way to finance the installation of renewable energy, energy efficiency, water efficiency, seismic strengthening improvements, and electric vehicle charging infrastructure. Property owners who participate in the program repay the loans through a voluntary contractual assessment collected together with their property taxes for up to 20 years. One of the most notable characteristics of PACE programs is that the loan is attached to the property rather than belonging to an individual. Therefore, when the owner sells the property, the loan stays with the property and is paid off by the new owner, who also benefits from the upgrades that were completed.

PACE financing enables individuals and businesses to defer the upfront costs of the improvements. PACE loans are paid over a long period of time while energy costs are simultaneously lower, providing the PACE consumer with net gains. Another

benefit of PACE financing is that the credit score of the loan applicant is not a consideration for eligibility. Rather, eligibility criteria are focused on the loan to value ratio of the property and whether property tax payments are current. By eliminating upfront costs, providing low-cost long-term financing, and making it easy for building owners to transfer payment obligations to a new owner upon sale, PACE overcomes challenges that have hindered adoption of sustainability measures for many property owners.

The City of Campbell joined the CaliforniaFIRST PACE program in January 2010 along with many other cities in Santa Clara County. However, implementation was delayed due to concerns from the Federal Housing Finance Agency (FHFA), Freddie Mac and Fannie Mae about the senior lien status of the loans.

In 2014, the State of California established the PACE Loss Reserve Program, a \$10 million loan guarantee fund to provide security for PACE loans. The Program is intended to mitigate potential risk to first mortgage lenders by making them whole for losses incurred due to the existence of a first-priority PACE lien on a property during a foreclosure or forced sale. Following the adoption of this program, residential PACE loans began to be issued across the State.

## **DISCUSSION**

At its March 1, 2016 meeting, the City Council directed staff to research the HERO program and other PACE providers that offer financing services to Campbell property owners.

The CaliforniaFIRST program is currently available to all residential and commercial property owners within the City of Campbell. Recently, staff learned that CaliforniaFIRST has a \$200,000 project minimum and thus restricts financing options for smaller scale projects. The City is now presenting information to the City Council in order to expand the number of PACE financing providers that operate in the City of Campbell.

1. California Statewide Communities Development Authority (CSCDA) Open PACE Program

CSCDA is a joint powers authority consisting of over 500 California cities and counties which was founded and is sponsored by the League of California Cities and the California State Association of Counties. The OpenPACE Program offered by the CSCDA prequalifies PACE Administrators and saves communities the time and resources of approving standalone PACE programs. Enrolling in the CSCDA OpenPACE program will allow the City to be included in 3 different PACE programs including CaliforniaFIRST (of which we are already a member), AllianceNRG, and the PACE Funding Group.

Once the City is a participant of the OpenPACE program, any future administrators that become authorized by the OpenPACE program can operate within the City of Campbell without the City having to take further action. **Attachment 1** is the resolution to enable CSCDA OpenPACE programs to be available to owners of residential and commercial property within the City of Campbell.

## 2. California HERO Program

The Home Energy Renovation Opportunity (HERO) program assists property owners to install energy and water efficient improvements. **Attachment 2** is the proposed resolution which enables the California HERO Program to conduct business within the City of Campbell to finance renewable energy, energy and water efficiency improvements and electric vehicle charging infrastructure. The resolution approves an Amendment to the WRCOG Joint Powers Agreement to add the City of Campbell as an Associate Member so that the California HERO Program could be offered to owners of property located within the City limits who wish to participate in the California HERO Program.

## 3. Ygrene Works for California PACE Program

California Home Finance Authority (CHF) has established two PACE financing programs for residential, commercial, industrial and agricultural properties. CHF contracts with Ygrene Energy Fund CA LLC to serve as the program administrator and to operate the Ygrene Works for California PACE financing program. CHF has established two PACE programs under the legislative authority of two separate California PACE laws providing authority for PACE financing under different sections of the California State Code.

- SB 555 PACE Community Facilities District: Senate Bill 555 amended the Mello-Roos Community Facilities Act to allow for the creation of Community Facilities Districts ("CFDs") for the purpose of financing or refinancing the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property. Individual properties can be annexed into the district and be subject to the special tax that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the CFD and (ii) each participating owner provides its unanimous written approval for annexation of its property into the PACE CFD.
- AB 811 PACE Contractual Assessment Program: This legislation authorized cities and counties to establish voluntary contractual assessment programs for the purpose financing private property improvements that promote renewable energy generation, energy and water efficiency and electric

vehicle charging infrastructure. As with the SB 555 CFD, properties can be annexed into the AB 811 PACE program and be subject to the property tax assessment that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the program and (ii) each participating owner consents in writing to the annexation of its property into the PACE program.

CHF obtained validation from the State to operate both the SB 555 and the AB 811 programs from the Superior Court for the County of Sacramento. However, CHF intends to only implement SB 555 version of the program for the time being but wants to keep the option open to implement the AB 811 version in case changes in the PACE laws make that option more viable. In support of CHF's approach, the Council is being asked to pass two resolutions and to approve joining the JPA as an Associate Member. A summary of each of the actions is below:

- **Attachment 3** is a resolution authorizing the City of Campbell to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF SB 555 Community Facilities District.
- **Attachment 4** is a resolution authorizing the City of Campbell to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF AB 811 Authority PACE Program.

Each resolution also authorizes CHF to: (1) accept applications from property owners within the City's incorporated area to finance authorized improvements; and (2) conduct proceedings and levy special taxes or contractual assessments, as applicable, on the property of participating owners.

Cities and counties that have approved the Ygrene Works program to date have adopted both resolutions. Authorizing both programs ensures that no matter the market or legislative environment for PACE, the Ygrene Works program will be established and able to operate successfully in Campbell without the need for additional review or the need for the City Council to consider approving another resolution thereby saving valuable staff time and resources. To participate in the PACE programs, the City must become an Associate Member of CHF. Associate membership requires no dues or other costs to the City, but permits participation in all CHF programs including the PACE program.

### **FISCAL IMPACT**

There is no fiscal impact to the City incurred by consenting to the inclusion of properties within the City limits in PACE programs. Program administrative costs are covered through an initial administrative fee included in the property owner's

**Authorize the Expansion of Property Assessed Clean Energy  
(PACE) Providers in the City of Campbell  
April 19, 2016**

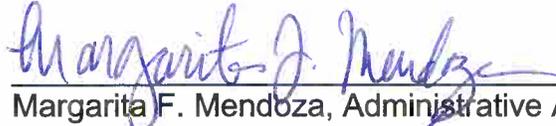
**Page 5**

voluntary contractual assessment and an annual administrative fee which is also collected on the property owner's tax bill.

**ALTERNATIVES**

1. Do not approve the expansion of PACE providers in the City of Campbell.

**Prepared by:**

  
Margarita F. Mendoza, Administrative Analyst

**Reviewed and  
approved by:**

  
Mark Linder, City Manager

**Attachments**

1. CSCDA Open PACE Program Resolution
2. California HERO Program Resolution and JPA Agreement
3. CHF Community Facilities District No. 2014-1 Resolution
4. CHF PACE Program Resolution
5. CHF JPA Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE TERRITORY OF THE CITY OF CAMPBELL IN THE CSCDA OPEN PACE PROGRAMS; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL ASSESSMENTS WITHIN THE TERRITORY OF THE CITY OF CAMPBELL; AND AUTHORIZING RELATED ACTIONS**

**WHEREAS**, the California Statewide Communities Development Authority (the “Authority”) is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California; and

**WHEREAS**, the Authority is implementing Property Assessed Clean Energy (PACE) programs, which it has designated CSCDA Open PACE, consisting of CSCDA Open PACE programs each administered by a separate program administrator (collectively with any successors, assigns, replacements or additions, the “Programs”), to allow the financing or refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the “Improvements”) through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code (“Chapter 29”) within counties and cities throughout the State of California that consent to the inclusion of properties within their respective territories in the Programs and the issuance of bonds from time to time; and

**WHEREAS**, the program administrators currently active in administering Programs are the AllianceNRG Program (presently consisting of CounterPointe Energy Solutions LLC and Leidos Engineering, LLC), PACE Funding LLC and Renewable Funding LLC, and the Authority will notify the City of Campbell in advance of any additions or changes; and

**WHEREAS**, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

**WHEREAS**, the City of Campbell desires to allow the owners of property (“Participating Property Owners”) within its territory to participate in the Programs and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

**WHEREAS**, the territory within which assessments may be levied for the Programs shall include all of the territory within the City of Campbell official boundaries; and

**WHEREAS**, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds issued in connection with the Programs; and

**WHEREAS**, the City of Campbell will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell

Section 1. Hereby finds and declares that properties in the territory of the City of Campbell will benefit from the availability of the Programs within the territory of the City of Campbell and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements.

Section 2. In connection with the Programs, the City of Campbell hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the territory of the City of Campbell and the issuance of bonds to finance or refinance Improvements; provided, that

(1) The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessments; and

(2) The City of Campbell will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs.

Section 3. The City Manager and staff of the City of Campbell are hereby authorized and directed to make applications for the Programs available to all property owners who wish to finance or refinance Improvements; provided, that the Authority shall be responsible for providing such applications and related materials at its own expense.

Section 4. The City Manager of the City of Campbell is hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

Section 5. The City Council hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

**PASSED AND ADOPTED** this 19th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:  
NOES: Councilmembers:  
ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST: \_\_\_\_\_  
Wendy Wood, City Clerk

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO**

**WHEREAS**, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

**WHEREAS**, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

**WHEREAS**, City of Campbell is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

**WHEREAS**, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

**WHEREAS**, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

**WHEREAS**, the City of Campbell wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

**WHEREAS**, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Campbell as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, a copy of which is attached as Exhibit "A" hereto, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

**WHEREAS**, the City of Campbell will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case

of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

**NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell**

1. Finds and declares that properties in the City of Campbell incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.

2. Consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City of Campbell and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

4. Hereby approves the JPA Amendment and authorizes the execution thereof by the City Manager

5. City Manager is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City of Campbell

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

**PASSED AND ADOPTED** this 19th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

## EXHIBIT A

### **AMENDMENT TO THE JOINT POWERS AGREEMENT ADDING CITY OF CAMPBELL AS AS AN ASSOCIATE MEMBER OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM SERVICES WITHIN SUCH CITY**

This Amendment to the Joint Powers Agreement (“JPA Amendment”) is made and entered into on the \_\_\_ day of \_\_\_\_\_, 2016, by City of Campbell (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

#### RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program designated as the “California HERO Program” pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

## MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

### A. JPA Amendment.

1. The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

### B. Implementation of California HERO Program within City Jurisdiction.

1. Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, levying and collecting assessments due under the California HERO Program, taking any required remedial action in the case of delinquencies in such assessment payments, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

#### **C. Miscellaneous Provisions.**

1. Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. Notwithstanding the foregoing, City may withdraw, either temporarily or permanently, from its participation in the California HERO Program or either the residential or commercial component of the California HERO Program upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal from such participation shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments  
4080 Lemon Street, 3rd Floor. MS1032  
Riverside, CA 92501-3609  
Att: Executive Director

City:

City of Campbell, Office of the City Manager  
ATTN: City Manager  
70 North First Street  
Campbell, CA 95008

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

**[SIGNATURES ON FOLLOWING PAGES]**

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

CITY OF CAMPBELL

By: \_\_\_\_\_

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

Name: Mark Linder

Title: City Manager

20323.00016\8035530.3

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO**

**WHEREAS**, the California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

**WHEREAS**, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

**WHEREAS**, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

**WHEREAS**, the City of Campbell is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

**WHEREAS**, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

**WHEREAS**, the City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

**WHEREAS**, the Authority has established the District, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and, to assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

**WHEREAS**, the City will not be responsible for the conduct of any special tax proceedings; the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell

1. Finds and declares that properties in the City of Campbell incorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.

2. Consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction there over by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.

4. Hereby approves joining the JPA as an Associate Member and authorizes the execution by the City Manager of any necessary documents to effectuate such membership.

5. City Manager is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the City

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

**PASSED AND ADOPTED** this 19th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:  
NOES: Councilmembers:  
ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY, PROGRAM TO FINANCE RENEWABLE ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO**

**WHEREAS**, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

**WHEREAS**, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

**WHEREAS**, Authority has established a property-assessed clean energy ("PACE") Program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

**WHEREAS**, City of Campbell (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

**WHEREAS**, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

**WHEREAS**, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

**WHEREAS**, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

**WHEREAS**, Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

**WHEREAS**, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell

1. Finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.

2. Consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. Consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

4. Hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

5. City Manager is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the City

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

**PASSED AND ADOPTED** this 19th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:  
NOES: Councilmembers:  
ABSENT: Councilmembers:

APPROVED:

\_\_\_\_\_  
Jason T. Baker, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk

Exhibit A

JPA Agreement

[to be inserted]

## CALIFORNIA HOME FINANCE AUTHORITY

## AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

## RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

**"Associate Member"** means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

**"Audit Committee"** means a committee made up of the nine-member Executive Committee.

**"Authority"** means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

**"Board"** means the governing board of the Authority as described in Section 7 below.

**"Bonds"** means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

**"Delegate"** means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

**"Executive Committee"** means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

**"Member"** means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

**"Obligations"** means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

**"Program" or "Project"** means any work, improvement, program, project or service undertaken by the Authority.

**"Rural County Representatives of California" or "RCRC"** means the nonprofit entity incorporated under that name in the State of California.

**"Supervisor"** means an elected County Supervisor from an RCRC member county.

## 2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

### **3. Principal Place of Business**

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

### **4. Creation of Authority; Addition of Members or Associate Members**

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

### **5. Term and Termination of Powers**

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

### **6. Powers; Restriction upon Exercise**

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act..

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

## **7. Governing Board**

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

## **8. Meetings of the Board**

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

## **9. Officers; Duties; Official Bonds**

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

## **10. Executive Committee of the Authority**

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

**11. Disposition of Assets**

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

**12. Agreement Not Exclusive; Operation in Jurisdiction of Member**

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

**13. Conflict of Interest Code**

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

**14. Contributions and Advances**

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

**15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses**

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

## **16. Duties of Members or Associate Members; Breach**

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

## **17. Indemnification**

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

## **18. Immunities**

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

## **19. Amendment**

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

## **20. Withdrawal of Member or Associate Member**

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

## **21. Miscellaneous**

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993  
Amended and restated December 10, 1998  
Amended and restated February 18, 1999  
Amended and restated September 18, 2002  
Amended and restated January 28, 2004  
Amended and restated December 10, 2014

*[SIGNATURES ON FOLLOWING PAGES]*

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

\_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

By \_\_\_\_\_  
[Clerk of the Board Supervisors or City Clerk]

**AFTER EXECUTION, PLEASE SEND TO:**

YGRENE ENERGY FUND  
ATTN: LEGAL DEPARTMENT  
815 5<sup>TH</sup> STREET  
SANTA ROSA CA 95404

**ATTACHMENT 1**  
**CALIFORNIA HOME FINANCE AUTHORITY MEMBERS**

**As of December 10, 2014**

Alpine County  
Amador County  
Butte County  
Calaveras County  
Colusa County  
Del Norte County  
El Dorado County  
Glenn County  
Humboldt County  
Imperial County  
Inyo County  
Lake County  
Lassen County  
Madera County  
Mariposa County  
Mendocino County  
Merced County  
Modoc County  
Mono County  
Napa County  
Nevada County  
Placer County  
Plumas County  
San Benito County  
Shasta County  
Sierra County  
Siskiyou County  
Sutter County  
Tehama County  
Trinity County  
Tuolumne County  
Yolo County  
Yuba County

MEMORANDUM



City of Campbell

City Clerk's Office

**To:** Honorable Mayor and City Council

**Date:** April 18, 2016

**From:** Wendy Wood, City Clerk *WW*

**Via:** Mark Linder, City Manager *ML*

**Subject:** **Desk Item 15 – E-mail from Charles Bona Regarding PACE financial lending**

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On April 15, 2016 an e-mail was received by Charles Bona, as part of the public record in regards to Item 15.

Attached is the email for your consideration.

## Wendy Wood

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**Subject:** FW: CCC Study Session Tues. April 19th, Calendar Item 15 , Authorize the Expansion of PACE financing providers in the City of Campbell

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**From:** Chuck @ Cortech

**Sent:** Friday, April 15, 2016 2:09 PM

**To:** Wendy Wood

**Cc:** Margarita Mendoza; Inc CleanFactor Energy

**Subject:** Ref: CCC Study Session Tues. April 19th, Calendar Item 15 , Authorize the Expansion of PACE financing providers in the City of Campbell

Good afternoon Wendy,

My name is Charles Bona. I received your contact information from Margarita who suggested I attempt contact with you directly. As I was mentioning to Margarita, my wife and I, Catalina Phan, own the small commercial property (1570 La Pradera Drive) in Campbell that Phil Mickelson, of Clean Factor Energy, has helped spawn interest in the need to secure PACE financing for Solar Conversion opportunities with a lower minimum than currently established (as I understand it, the current minimum is set at \$200K while our smaller project for Solar conversion will cost just over \$50K).

As we are just now returning to town, I am trying to understand how I/we might support the process. I apologize for the late notice but again we are just coming up to speed. As we are personally seeking the hope of PACE financial lending for a Solar Conversion, what we believe is a responsible course of action for the betterment of Campbell et al, we'd appreciate the opportunity to support the due process.

Other than attending the meeting, which I will certainly do, would you kindly let us know if there are other ways we can support the process.

Your consideration is greatly appreciated,

**Charles H. Bona III - Sole Proprietor**

Dare to dance, dancing through the rain as well as the pain. Life waits for NO one, this is NOT a dress rehearsal; this is the dance of our lives...may we never stop appreciating the music, all glory be to God! - CHBIII

"Life is an opportunity, benefit from it. Life is a dream, realize it. Life is a challenge, meet it. Life is a duty, complete it. Life is a promise, fulfill it. Life is sorrow, overcome it. Life is a struggle, accept it. Life is a tragedy, confront it. Life is an adventure, dare it. Life is luck, make it. Life is life, fight for it." -- Mother Teresa



# City Council Report

Item: 16.

Category: Council Committee Reports

Meeting Date: April 19, 2016

## DISCUSSION

This is the section of the City Council Agenda that allows the City Councilmembers to report on items of interest and the work of City Council Committees.

### MAYOR BAKER

Cities Association of Santa Clara County:  
Board of Directors  
Selection Committee  
City Atty. Performance/Comp. Subcommittee  
City Clerk Performance/Comp. Subcommittee  
City Mgr. Performance/Comp. Subcommittee  
County Expressway Policy Advisory Board  
County Library District JPA Board of Dir.  
*Metropolitan Transportation Commission\*\**  
*Bay Area Toll Authority*  
*Santa Clara County Operational Area*  
*Council (Chair)\*\**  
*VTA Board of Directors\*\**  
*West Valley Cities Representative to Silicon*  
*Valley Interoperability Authority \*\**  
West Valley Mayors and Managers

### VICE MAYOR GIBBONS:

Advisory Commissioner Appointment Interview Subcommittee  
Campbell Historical Museum & Ainsley House Foundation Liaison  
City Atty. Performance/Comp. Subcommittee  
City Clerk Performance/Comp. Subcommittee  
City Mgr. Performance/Comp. Subcommittee  
CDBG Program Committee (County) (Alt.)  
Cities Association of Santa Clara County:  
Board of Directors (Alt.)  
Selection Committee (Alt.)  
County Expressway Policy Adv. Board (Alt.)  
County Library District JPA Board of Dir. (Alt.)  
Downtown Subcommittee  
Education Liaison Subcommittee  
Finance Subcommittee  
Friends of the Heritage Theatre Liaison (Alt.)  
Housing Rehabilitation Loan Committee  
Legislative Subcommittee  
State Route (SR) 85 Corridor Policy Advisory Board (Alt.)  
Santa Clara Valley Water District:  
County Water Commission (Alt.)  
20% Housing Committee (Successor Agency)  
West Valley Mayors and Managers (Alt.)

### COUNCILMEMBER CRISTINA:

Assn. of Bay Area Governments  
Cities Association of Santa Clara County:  
ABAG Representative (Alternate)  
Economic Development Subcommittee  
Santa Clara Valley Water District:  
County Water Commission

### COUNCILMEMBER KOTOWSKI:

Assn. of Bay Area Governments (Alt.)  
CDBG Program Committee (County)  
Education Liaison Subcommittee  
Friends of the Heritage Theatre Liaison  
Housing Rehab Loan Committee (Alt.)  
*Recycling Waste Reduction Commission\*\**  
Legislative Subcommittee  
Silicon Valley Animal Control Authority Board (SVACA) (Alt.)  
Valley Transportation Authority Policy Advisory Committee (Alt.)  
West Valley Sanitation District  
West Valley Solid Waste Authority JPA (Alt.)

### COUNCILMEMBER RESNIKOFF:

Advisory Commissioner Appointment Interview Subcommittee  
Campbell Historical Museum & Ainsley House Foundation Liaison (Alt.)  
Downtown Subcommittee  
Economic Development Subcommittee  
Education Subcommittee (Alt.)  
Finance Subcommittee  
State Route (SR) 85 Corridor Policy Advisory Board  
Silicon Valley Animal Control Authority Board (SVACA)  
20% Housing Committee (Successor Agency)  
Valley Transportation Authority Policy Advisory Committee  
West Valley Sanitation District (Alt.)  
West Valley Solid Waste Authority JPA