



## AGENDA

CITY OF SEASIDE  
CITY COUNCIL/SUCCESSOR  
AGENCY TO REDEVELOPMENT  
AGENCY OF THE CITY OF SEASIDE  
/PARKING AUTHORITY

JOINT SPECIAL MEETING  
Council Chamber  
440 Harcourt Avenue  
Thursday, May 19, 2016  
5:00 PM

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*PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING*

**1. CALL TO ORDER**

|                  |                          |
|------------------|--------------------------|
| Ralph Rubio      | Mayor/Chair              |
| Ian N. Oglesby   | Mayor Pro Tem/Vice Chair |
| Dennis Alexander | Council/Agency Member    |
| Jason Campbell   | Council/Agency Member    |
| David R. Pacheco | Council/Agency Member    |

**2. PLEDGE OF ALLEGIANCE**

**3. ORAL COMMUNICATIONS**

*Members of the public wishing to address the Agency Board on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.*

**4. CONSENT AGENDA**

**A. APPROVE THE MINUTES FROM THE MAY 5, 2016 JOINT SPECIAL MEETING**

**RECOMMENDATION:** It is recommended that the minutes be reviewed and approved.

**B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

**PURPOSE:** It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of April 26, 2016 through May 9, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of April 28, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is \$209,281.23.

**RECOMMENDATION:** It is recommended that the Successor Agency Board approve and file the attached checks.

**C. AUTHORIZATION FOR THE USE OF PARCELS FOR FIREWORKS STANDS OWNED BY THE PARKING AUTHORITY AND THE SUCCESSOR AGENCY TO**

## **THE REDEVELOPMENT AGENCY**

**PURPOSE:** The purpose of this item is for the City of Seaside as the Successor Agency to the Redevelopment Agency of the City of Seaside, herein after referred to as “Successor Agency” and the “Parking Authority”, to grant authorization to the Seaside Kiwanis Club, the Village Project, and the Carpenters House Church to conduct the sale of fireworks on parcels that are owned by the Successor Agency and the Parking Authority between June 28, 2016 and July 5, 2016.

### **RECOMMENDATION:**

It is recommended that the “Successor Agency” and the “Parking Authority” grant a License Agreement to the following organizations for the sale of fireworks in accordance with a Fireworks Permit that would be issued by the Seaside Fire Department:

1. Kiwanis Club of Seaside - Vacant site located at 1271 Canyon Del Rey Boulevard located between Laguna Grande Park and Chili’s Restaurant formerly owned by the City of Seaside Redevelopment Agency.
2. The Village Project - Portion of the southwest corner of the Laguna Grande Shopping Center located at 1590 Canyon Del Rey Boulevard owned by the Parking Authority.
3. The Carpenters House - Vacant parcel located at 1181 Broadway Avenue formerly owned by the Redevelopment Agency.

## **5. STUDY SESSION**

### **A. PRESENTATION OF THE FISCAL YEAR 2016-2017 PRELIMINARY BUDGET AND THE 2017-2018 BUDGET PLAN AND CONSIDER REVENUE DIVERSIFICATION ALTERNATIVES**

**PURPOSE:** The purpose of this item is to give the City Council the opportunity to receive the 2016-2017 Preliminary Budget and the 2017-2018 Budget Plan and consider revenue diversification alternatives.

### **RECOMMENDATION:**

It is recommended that:

1. The City Council receive a brief presentation on the 2016-2017 Preliminary Budget and the 2017-2018 Budget Plan for the City of Seaside.
2. The City Council consider revenue diversification alternatives.

## **6. CLOSED SESSION**

### **A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – GOVERNMENT CODE SECTION 54956.8**

**Property Location: 2 McClure Way (Bayonet & Black Horse Golf Course Property):** Negotiating Parties for the City: Craig Malin, City Manager and Larry Seeman, Land Use Planning Consultant. Negotiating Parties for Seaside Donald Diamond Resort Development, LLC: Under Negotiation: Instructions to negotiator will concern price and terms of payment as well as other contingencies.

**B. PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS**

Agency Negotiators: Craig Malin, City Manager; Daphne Hodgson, Deputy City Manager - Administrative Services; Roberta Greathouse, Human Resources Director; Lisa Saldana, Financial Services Manager, Donna Williamson, Labor Negotiator

Employee Organizations:

1. Seaside City Employees' Association
2. Seaside Police Officers' Association
3. Seaside Firefighters' Association
4. Seaside Managers & Supervisory Employees' Association
5. Unrepresented Employees: Confidential Managers & Confidential Non-Exempt Employees
6. Executive Managers

**7. ADJOURNMENT**

Next Regularly Scheduled Meeting:

June 2, 2016  
Seaside City Hall  
5:30 PM

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The City of Seaside is an ADA accessible facility and is committed to include the disabled in all of its services, programs and activities. Any person who requires accommodation to be able to participate in this meeting is asked to contact the office of the City Clerk at 899-6707, no fewer than two business days prior to the meeting to allow for reasonable arrangements. The City Council Chambers is equipped with a portable microphone for anyone unable to come to the podium. Assisted listening devices are also available.

Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at: <http://cvp.telvue.com/player?id=T01629&video=52314&noplaylists=1&width=400&height=300> Videos of past meetings are available on demand through the City's website: <http://www.ci.seaside.ca.us>

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.



## DRAFT MINUTES

CITY OF SEASIDE  
CITY COUNCIL/ SUCCESSOR  
AGENCY TO THE  
REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING  
COUNCIL CHAMBER  
Thursday, May 5, 2016  
6:00 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 6:00 PM.

**CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE**

PRESENT: Alexander, Campbell, Oglesby, Pacheco, Rubio

ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

3. **ORAL COMMUNICATIONS**

There were no requests to speak

4. **CONSENT AGENDA**

*On motion by Council Member Alexander and seconded by Mayor Pro Tem Oglesby and passed by the following vote the*

RESULT: **Approved**

MOVER: Council Member Dennis Alexander

SECONDER: Mayor Pro Tem Ian Oglesby

AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Ian Oglesby, Dave Pacheco

NOES: None

A. **APPROVE MINUTES FROM APRIL 21, 2016**

*Action: Approved*

Agency Negotiators: Craig Malin, City Manager; Daphne Hodgson, Deputy City Manager - Administrative Services; Roberta Greathouse, Human Resources Manager; Donna Williamson, Labor Negotiator

Employee Organizations:

1. Seaside City Employees' Association
2. Seaside Police Officers' Association
3. Seaside Firefighters' Association
4. Seaside Managers & Supervisory Employees' Association
5. Unrepresented Employees: Confidential Managers & Confidential Non-Exempt Employees
6. Executive Managers

B. **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

*Action: Accepted & Filed*

**Property Location: 580 Broadway Avenue, Seaside, California, and is identified as Monterey County Assessor's Parcel Number 011-303-008.** Owned by (i) Mary Alice Cerrito, as to an Undivided 50% Interest and (ii) Roger L. Brown and Gloria Brown, or their Successors, As Trustees of the Roger and Gloria Brown Family Trust Under Declaration of Trust Dated August 31, 2006 as to an Undivided 50% Interest in connection with the West Broadway Urban Village Infrastructure Improvements. The City negotiators are Craig Malin, City Manager, et al. Under negotiation are the price and terms for the acquisition of certain property interests from the subject property.

**5. CLOSED SESSION**

The City Council adjourned to closed session at 6:03 pm.

**A. PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS**

**B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – GOVERNMENT CODE SECTION 54956.8**

**6. ADJOURNMENT**

The City Council reconvened to open session at 6:49 PM and there were no announcements for the public.

Respectfully submitted,

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Lesley Milton-Rerig, City Clerk

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Ralph Rubio, Mayor



**CITY OF SEASIDE  
STAFF REPORT**

**Item No.: 4.B.**

**TO:** Successor Agency to the Redevelopment Agency of the City of Seaside

**FROM:** Craig Malin, Executive Director

**BY:** Daphne Hodgson, Deputy City Manager Administrative Services  
Krista Oberholtzer, Accounting

**DATE:** May 19, 2016

**SUBJECT: APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

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**PURPOSE**

It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of April 26, 2016 through May 9, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of April 28, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is \$209,281.23.

**RECOMMENDATION**

It is recommended that the Successor Agency Board approve and file the attached checks.

**BACKGROUND**

In accordance with Government Code Section 37208, at each Agency meeting the Board is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, I hereby certify that the above referenced, and linked, list of checks conforms to the approved budget and has been paid. These checks are hereby submitted to the Agency Board for inspection and confirmation.

A description of the checks and wires exceeding \$10,000 are as follows:

- \$208,412.94 to U.S. Bank for the 2014 Bonds semi-annual debt service payment.

The remaining checks, totaling \$868.29, include payments to vendors for operating expenditures.

The Checks report is available on the City's Website here:  
<http://www.ci.seaside.ca.us/index.aspx?page=366>

**FISCAL IMPACT**

The listed checks have been budgeted and paid from the various funds, as appropriate.

**ATTACHMENTS**

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Reviewed for Submission to the  
City Council by:

A handwritten signature in blue ink, consisting of a stylized 'C' followed by several horizontal strokes.

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Craig Malin, City Manager



**CITY OF SEASIDE  
STAFF REPORT**

**Item No.: 4.C.**

**TO:** Successor Agency to the Redevelopment Agency of the City of Seaside

**FROM:** Craig Malin, City Manager

**BY:** Diana Ingersoll, Deputy City Manager Resource Management Services  
Rick Medina, Senior Planner

**DATE:** May 19, 2016

**SUBJECT: AUTHORIZATION FOR THE USE OF PARCELS FOR FIREWORKS  
STANDS OWNED BY THE PARKING AUTHORITY AND THE  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

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**PURPOSE**

The purpose of this item is for the City of Seaside as the Successor Agency to the Redevelopment Agency of the City of Seaside, herein after referred to as “Successor Agency” and the “Parking Authority”, to grant authorization to the Seaside Kiwanis Club, the Village Project, and the Carpenters House Church to conduct the sale of fireworks on parcels that are owned by the Successor Agency and the Parking Authority between June 28, 2016 and July 5, 2016.

**RECOMMENDATION**

It is recommended that the “Successor Agency” and the “Parking Authority” grant a License Agreement to the following organizations for the sale of fireworks in accordance with a Fireworks Permit that would be issued by the Seaside Fire Department:

1. Kiwanis Club of Seaside - Vacant site located at 1271 Canyon Del Rey Boulevard located between Laguna Grande Park and Chili’s Restaurant formerly owned by the City of Seaside Redevelopment Agency.
2. The Village Project - Portion of the southwest corner of the Laguna Grande Shopping Center located at 1590 Canyon Del Rey Boulevard owned by the Parking Authority.
3. The Carpenters House - Vacant parcel located at 1181 Broadway Avenue formerly owned by the Redevelopment Agency.

**BACKGROUND**

Each year, community non-profit groups request that the City of Seaside authorize the use of

vacant City owned or former Redevelopment Agency owned properties for the placement of their fireworks stands. In advance of the 2016 Fireworks Sales Event that will occur between June 28, 2016 and July 5, 2016, the City of Seaside has received a request from the Seaside Kiwanis Club, the Village Project, and the Carpenter's House Church for the use of parcels that are owned by the Parking Authority and the Successor Agency to the Redevelopment. The letters of request submitted by each group are provided as Attachment 1. Site maps are provided as Attachment 2. Site photographs are provided as Attachment 3.

Per the State Fire Marshall, a firework stand must be located a minimum of 40 feet from an existing building. City staff has verified that the size of each site and the location of the structures surrounding each site would accommodate the placement of a 40-foot wide fireworks booth in compliance with the State Marshall requirements. Staff recommends approval of each request in accordance with the Use Agreement provided as Attachment 4. The use agreement includes terms and conditions that address the following items:

- Insurance requirements
- Indemnification of the Redevelopment Agency and City of Seaside
- Conditions of Approval
- Utilities
- Responsibility for Premises during event
- Compliance with Laws during event
- Restrictions on Subletting
- Termination for default on the terms of the agreement
- Legal Action

The approval of the use agreement is only for the authorization to use Parking Authority and "Successor Agency" property to conduct fireworks sales under a valid fireworks permit issued by the Seaside Fire Department and does not constitute approval of a valid fireworks permit that would be issued by the State Fire Marshall and administered by the Seaside Fire Department. The use agreement shall become null and void if an organization fails to provide the required information necessary to receive a valid fireworks permit.

### **FISCAL IMPACT**

There is no fiscal impact associated with this item.

### **ATTACHMENTS**

1. Attachment 1 - Letters of Request
  2. Attachment 2 - Location Maps
  3. Attachment 3 - Site Photographs
  4. Attachment 4 - Firework Sales Use Agreement
-

**Meeting Date: May 19, 2016**

Reviewed for Submission to the  
City Council by:



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Craig Malin, City Manager

April 29,2016

Community Development Department  
440 Harcourt Avenue  
Seaside, CA 93955

Dear Director,

The Kiwanis Club of Seaside has been granted the privilege to use the Lot 1271 Canyon Del Rey BLVD (APN#100-371-005+022 next to Chili's Restaurant) to sell fireworks in the past.

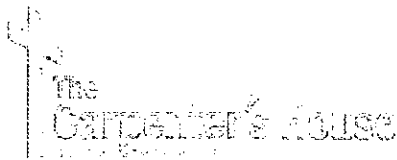
The Fire Department informed me that they need the request in writing to use the lot stated above.

The Kiwanis Club of Seaside is requesting permission to use the same lot again to sell fireworks this year from June 28, 2016 to July 5,2016. The hours of operation will be from 10:00am to 8:00pm daily.

The Kiwanis Club of Seaside operate exclusively for the promotion of social welfare and the net earnings of the organization are devoted exclusively to charity, education, or recreational purposes.

Sincerely,

  
Alice Jordan  
Fund raising Chair person



COPY

The Successor Group to Seaside Redevelopment Agency  
City of Seaside  
440 Harcourt  
Seaside, CA 93955

April 24, 2016

Dear Members:

We at The Carpenter's House have been proud and grateful to be a non-profit operator of one of our Fireworks stands in Seaside. It is a great enablement to serving our community youth in life forming ways.

Last year, as in years before, you granted us permission to use your Agency's vacant lot at 1185 Broadway Ave. It has served us well and the people of our city enjoy the accessibility of the location.

We would therefore like to request permission to use it once again for this year's location for our fireworks stand. We would greatly appreciate your kind consideration and approval. Thank you!

Should there be need of additional information please contact me at (831) 899-8900, (831) 277-5195, or Email: [fredmeeks@carpentershouse.org](mailto:fredmeeks@carpentershouse.org).

Fred C. Meeks

Pastor  
The Carpenter's House

1309 Broadway Ave. - Seaside, CA 93955 - (831) 899-8900  
[www.carpentershouse.org](http://www.carpentershouse.org)



**Monterey County NAACP Youth Council**

Post Office Box 1308, Seaside California 93955  
Phone: (831) 392-1500 - Fax: (831) 392-1501

4/25/2016

Seaside Parking Authorities  
440 Harcourt Avenue  
Seaside, CA 93955

Dear Parking Authorities,

We are requested the use of the Canyon Del Rey Blvd. Parking lot for sale of our fireworks. With written permission from the stores, we used the parking lot last year. Everything went well, we had no problems or incidents. We are hoping to use the parking lot this year, from June 28-July 5<sup>th</sup>.

Thank you,  
Monica Mapp

NAACP Youth Council Advisor  
831-392-1500



**Monterey County NAACP Youth Council**

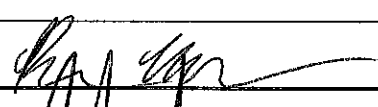
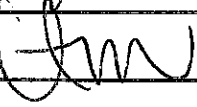
Post Office Box 1308, Seaside California 93955  
Phone: (831) 392-1500 - Fax: (831) 392-1501

4/25/2016

Seaside Parking Authorities  
440 Harcourt Avenue  
Seaside, CA 93955

Dear Parking Authorities,

The undersign has agreed to let the Monterey Peninsula's NAACP Youth Council use the Canyon Del Rey Blvd parking lot, for the sale of fireworks at a firework booth fundraiser June 28<sup>th</sup> – July 5<sup>th</sup>.

|               |          |                                                                                     |
|---------------|----------|-------------------------------------------------------------------------------------|
| Shell         | <u>X</u> |                                                                                     |
| Home Depot    | <u>X</u> |  |
| Smart & Final | <u>X</u> |  |
| McDonalds     | <u>X</u> |                                                                                     |
| Staples       | <u>X</u> |  |

|      |                |
|------|----------------|
| Date | _____          |
| Date | <u>4/27/16</u> |
| Date | <u>4/27/16</u> |
| Date | _____          |
| Date | <u>4-27-16</u> |

Thank you in advance,



Monica Mapp  
NAACP Youth Council Advisor  
831-392-1500



**Monterey County NAACP Youth Council**

Post Office Box 1308, Seaside California 93955  
Phone: (831) 392-1500 - Fax: (831) 392-1501

4/25/2016

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440 Harcourt Avenue  
Seaside, CA 93955

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|               |   |              |
|---------------|---|--------------|
| Shell         | X | Date         |
| Home Depot    | X | Date         |
| Smart & Final | X | Date         |
| McDonalds     | X | Date 4/25/16 |
| Staples       | X | Date         |

Thank you in advance,

*Monica Mapp*

Monica Mapp  
NAACP Youth Council Advisor  
831-392-1500



## Monterey County NAACP Youth Council

Post Office Box 1308, Seaside California 93955  
Phone: (831) 392-1500 - Fax: (831) 392-1501

4/25/2016

Seaside Parking Authorities  
440 Harcourt Avenue  
Seaside, CA 93955

Dear Parking Authorities,

The undersign has agreed to let the Monterey Peninsula's NAACP Youth Council use the Canyon Del Rey Blvd parking lot, for the sale of fireworks at a firework booth fundraiser June 28<sup>th</sup> – July 5<sup>th</sup>.

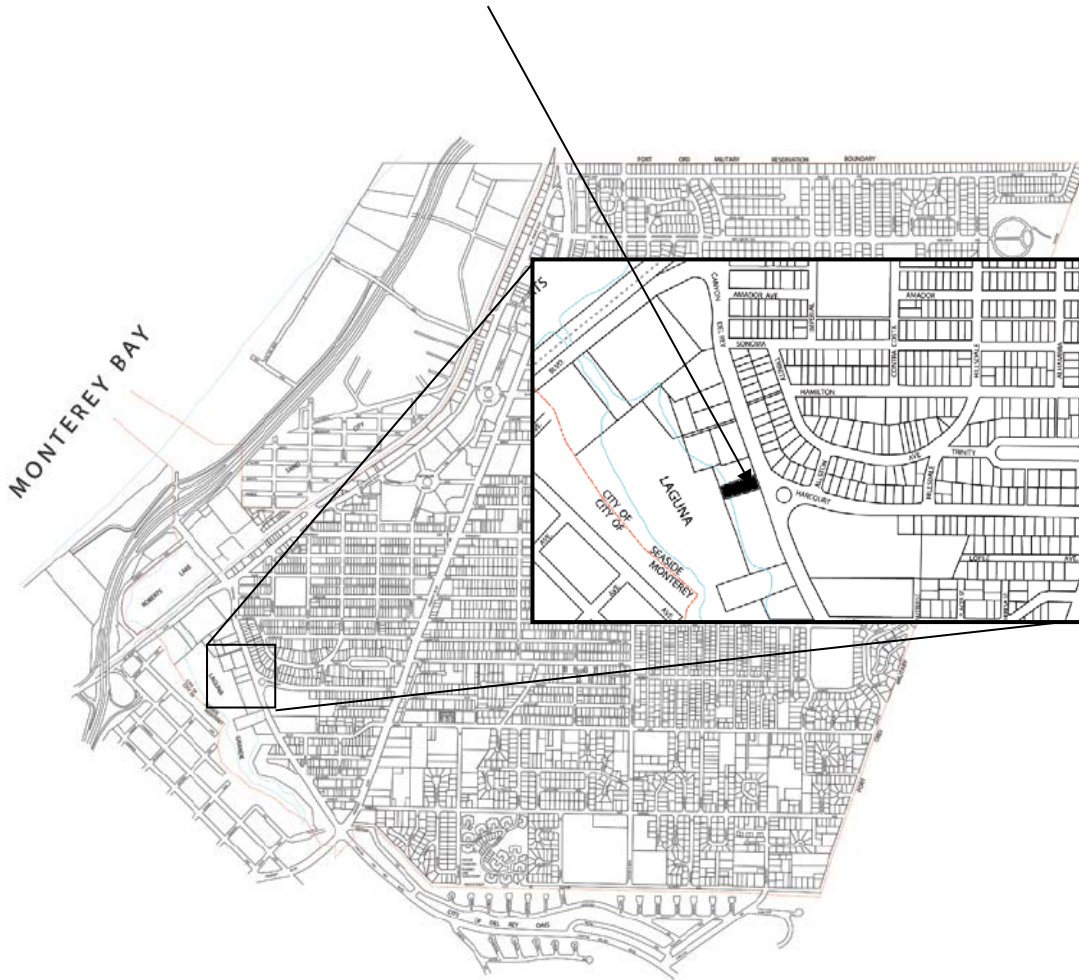
|               |                           |                     |
|---------------|---------------------------|---------------------|
| Shell         | X <u>Lauren Lynn Murr</u> | Date <u>4/26/16</u> |
| Home Depot    | X _____                   | Date _____          |
| Smart & Final | X _____                   | Date _____          |
| McDonalds     | X _____                   | Date _____          |
| Staples       | X _____                   | Date _____          |

Thank you in advance,

Monica Mapp  
NAACP Youth Council Advisor  
831-392-1500

# KIWANIS CLUB of SEASIDE

**Project Location: 1271 Canyon Del Rey Blvd.  
(APN#: 011-371-005 and 022)**



## LOCATION MAP

### THE VILLAGE PROJECT

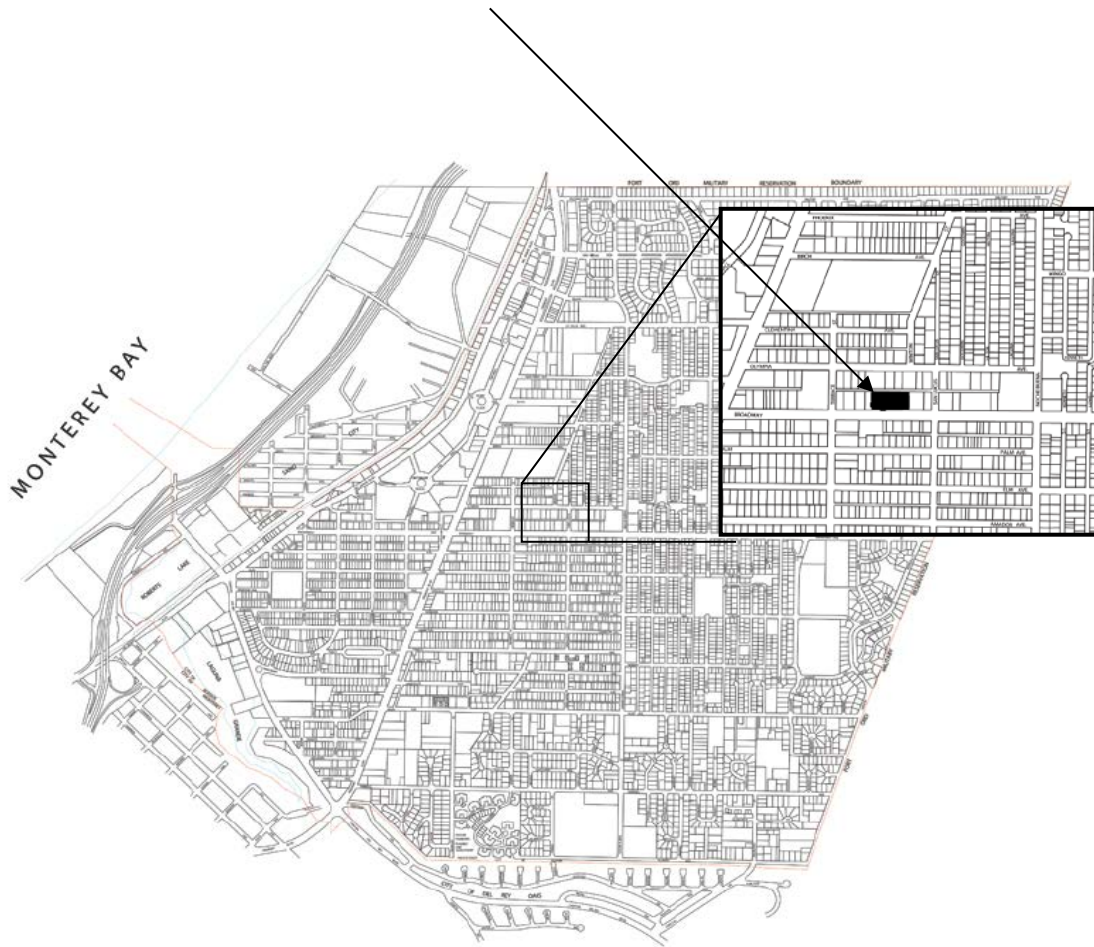
**Project Location: In front of 1590 Canyon del Rey Blvd.  
(APN#: 011-501-020)**



## LOCATION MAP

### CARPENTER'S HOUSE CHURCH

**Project Location: 1181 Broadway Avenue  
(APN# 012-191-023 and 024)**



## **SITE PHOTOGRAPHS**

### **Kiwanis Club of Seaside**



Vacant lot on Canyon del Rey Boulevard East of Chili's restaurant

# SITE PHOTOGRAPHS

## The Village Project



Canyon del Rey Boulevard in front of Home Depot



Parking lot in front of Home Depot

**SITE PHOTOGRAPHS**  
The Carpenter's House Church



North side of Broadway Avenue – 1181 Broadway Avenue

# FIREWORK SALES USE AGREEMENT

## Kiwanis Club

### Firework Sales Use Agreement

**THIS AGREEMENT** made and executed this 19th day of May, 2016, by and between the City of Seaside as the Successor Agency to the Redevelopment Agency of the City of Seaside, a municipal corporation, hereinafter referred to as “Successor Agency”, and Kiwanis Club of Seaside hereinafter referred to as “Tenant” provides as follows:

#### 1. PREMISES

The “Successor Agency” authorizes the Tenant to use the land known as Assessor’s Parcel Number 011-371-005 & 022 shown on the attached site plan and located at 1271 Canyon del Rey Blvd. (vacant lot east of Chili’s restaurant.)

#### 2. TERM OF AGREEMENT

The parties hereto agree that the Tenant shall have exclusive use of the premises herein described from June 28, 2016 thru July 5, 2016.

#### 3. INSURANCE

- 1) The Tenant shall procure and maintain, at its own cost and expense, an insurance policy acceptable to the “Successor Agency”, naming the City of Seaside and the “Successor Agency” as also insured there under, in the minimum amount of two million dollars (\$2,000,000.00) per occurrence and four million dollars (\$4,000,000.00) as an aggregate, which would insure the Tenant and the City of Seaside and “Successor Agency” against any and all liabilities arising from the use of the premises as set forth in this Agreement. The Tenant shall provide the City of Seaside with a certificate of insurance reflecting the terms of this Paragraph. The Tenant shall maintain said insurance in full force and effect throughout the entire term of this Agreement.

#### 4. INDEMNITY

The Tenant shall conduct its activities upon the premises so as not to endanger any person lawfully thereon, and shall indemnify, save and hold harmless the City of Seaside and the “Successor Agency”, and all of its officers, agents, and employees from any and all claim for losses, injuries, damages and liabilities to persons or property occasioned wholly or in part by the acts of omissions of the Tenant, its officers, agents, employees, guests, patrons or any other person or persons admitted to said premises by the Tenant while said premises are under the use and control of the Tenant. The Tenant hereby assumes full responsibility for the character, acts and conduct of all persons admitted to the premises by consent, express or implied, of the Tenant, its officers, agents, employees or patrons.

**5. CONDITIONS OF USE FOR THE PROJECT SITE**

Use of said premises is subject to the following terms and conditions;

1. The Firework sales shall be set-up and occur in a manner consistent with the site plan approved by the Seaside Fire Department.
2. All temporary signs, banners, fencing and other materials used in connection with the Firework sales shall be removed immediately after the closing of the firework sales lot on July 5, 2016.
3. All main travel lanes to the site must be clear at all times to allow through traffic from the public right-of-way to the Fireworks Booth.
4. The subject property shall be kept clear of all litter and firework materials throughout the event. The subject property shall be thoroughly cleared of litter at the end of the event.
5. In the event the site is not cleared of litter and debris on a daily basis, the Public Works staff will notify the applicant of noncompliance and undertake this task with the applicant being billed for the cleaning services.
6. Prior to beginning Firework sales, the applicant must schedule a final inspection with the Fire Marshall and receive clearance from the Fire Marshall to conduct fireworks sales.
7. Prior to installation of any temporary lights, applicant must contact the Building Official to determine if an Electrical Permit would be required.
1. The right to use Redevelopment Agency/City property may be revoked by the City of Seaside and/or the Seaside Redevelopment Agency at any time for violation of any of the terms or conditions of this permit by the Tenant, its agents, or representatives.
9. For purposes of compliance, the Tenant, its agents or representatives agree not to deny or impede access to the subject property by City of Seaside or "Successor Agency" employees in the performance of their duties.
10. No sale of fireworks shall occur until the tenant or fireworks provider has provided proof of the insurance policy and the indemnification as required.
11. If the property is sold by the "Successor Agency" prior to the commencement of the Firework Sales or during the sales of fireworks, the tenant would be required to obtain the approval of the new property owner in order to continue with the sale of fireworks during the approved timeframe for the sale of fireworks as set forth by the State Fire Marshall.

12. The use agreement for the sales of fireworks shall become null and void if a fireworks permit is not issued by the Seaside Fire Department.

## **6. UTILITIES**

The Tenant shall be solely responsible for all utilities furnished to said premises.

## **7. RESPONSIBILITY FOR PREMISES**

The Tenant shall quit and surrender the premises following termination of use under this Agreement in as good a state and condition as they were at the commencement of such use, reasonable wear and tear thereof and damages by the elements accepted. The Tenant also agrees that if said premises are damaged during the terms of this Agreement, by the act, default, or negligence of the Tenant, its officers, agents, employees, guests, patrons, or any person or persons permitted onto said premises by the Tenant, the Tenant shall pay to the City of Seaside and "Successor Agency" upon demand such sum as shall be necessary to restore said premises to the condition they were in at the commencement of use pursuant to this Agreement.

## **8. COMPLIANCE WITH LAWS**

The Tenant shall comply with all laws, statutes, ordinances, rules or regulations of the United States, the State of California, the City of Seaside and the "Successor Agency" and any department or agency thereof, including such regulations now in force or to be established pertaining to the use of the premises in accordance with a Fireworks Permit issued by the Seaside Fire Department.

## **9. SUBLETTING, ASSIGNMENT**

The Tenant shall not sublease the whole or any part of the premises, not assign, and hypothecate any or all of its rights hereunder.

## **10. TERMINATION**

The Agency and the Tenant specifically agree that any default by the Tenant shall be an immediate breach of the use agreement and the Agency shall have an immediate right to terminate this Agreement upon twenty-four (24) hours written notice to the Tenant.

## **11. LEGAL ACTION**

Should either party to this Agreement bring legal action against the other, the case shall be handled in Monterey County, California, and the party prevailing in such action shall be entitled to a reasonable attorney's fees which shall be fixed by the judge hearing the case and such fee shall be included in the judgment, together with all costs.

## **12. ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement between the Tenant and the “Successor Agency”. No term, provision or condition of this Agreement may be altered or amended, nor may any term, provision or condition be added to this Agreement, except by a written amendment be executed by both the Tenant and Agency.

**IN WITNESS WHEREOF**, this agreement is executed by the parties hereto on the day and year first above written.

City of Seaside/Successor Agency

Tenant (Non-Profit Group)

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Craig Malin, EXECUTIVE DIRECTOR

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Kiwanis Club of Seaside  
(Name of Organization)

---

Print Name/Title

---

Signature



**CITY OF SEASIDE  
STAFF REPORT**

**Item No.: 10.B.**

**TO:** City Council

**FROM:** Craig Malin, City Manager

**BY:** Daphne Hodgson, Deputy City Manager Administrative Services

**DATE:** May 19, 2016

**SUBJECT: PRESENTATION OF THE FISCAL YEAR 2016-2017 PRELIMINARY BUDGET AND THE 2017-2018 BUDGET PLAN AND CONSIDER REVENUE DIVERSIFICATION ALTERNATIVES**

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**PURPOSE**

The purpose of this item is to give the City Council the opportunity to receive the 2016-2017 Preliminary Budget and the 2017-2018 Budget Plan and consider revenue diversification alternatives.

**RECOMMENDATION**

It is recommended that:

1. The City Council receive a brief presentation on the 2016-2017 Preliminary Budget and the 2017-2018 Budget Plan for the City of Seaside.
2. The City Council consider revenue diversification alternatives.

**BACKGROUND**

**2016-2017:**

The 2016-2017 Preliminary General Fund Budget for the City of Seaside is balanced.

| <i>2016-2017 Preliminary General Fund Budget</i> |              |
|--------------------------------------------------|--------------|
| Estimated Revenues                               | \$26,910,973 |
| Projected Expenditures                           | (26,906,781) |
|                                                  |              |
| Operating Surplus                                | \$4,192      |

We anticipate a continued improvement in the economy in this Preliminary Budget and therefore have estimated some revenue increases during the 2016-2017 Budget Year.

The 2016-2017 Preliminary General Fund Budget expenditures include cost saving measures across all departments that were needed to balance the budget. The budget balancing task, by department, was achieved as follows (excepting central services charges):

| <u>Department</u> | <u>2015/16</u> | <u>2016/17</u> | <u>% 15/16 to 16/17</u> |
|-------------------|----------------|----------------|-------------------------|
| Legislative       | \$ 367,308     | \$ 329,392     | 89%                     |
| City Attorney     | \$ 557,733     | \$ 409,962     | 73%                     |
| Human Resources   | \$ 636,347     | \$ 627,344     | 98%                     |
| Finance           | \$ 1,119,432   | \$ 996,300     | 89%                     |
| City Manager      | \$ 1,971,526   | \$ 1,533,860   | 77%                     |
| Recreation        | \$ 1,799,875   | \$ 1,751,747   | 97%                     |
| Resource Mgmt.    | \$ 6,388,742   | \$ 5,562,286   | 87%                     |
| Fire              | \$ 5,513,554   | \$ 5,643,014   | 102%                    |
| Police            | \$11,079,470   | \$11,348,071   | 102%                    |

Examples of budget balancing recommendations to achieve the \$4,192 operating surplus include (all recommendations in excess of \$10,000):

\$237,112 Adjustment of personnel costs due to estimated hiring dates and other changes  
 \$ 84,100 Continued 2015/16 deferral of 2<sup>nd</sup> School Resource Officer hiring to 2017/18  
 \$ 68,700 Reduced consultant expenditures in Economic Development and City Manager  
 \$ 68,000 Defer radio grant match to 2017/18, when funds needed (if grant awarded)  
 \$ 57,700 Public Works equipment purchase deferrals  
 \$ 54,500 Part-time staffing reductions in Recreation and Public Works  
 \$ 45,000 Reduction of subcontracted expenditures in Public Works  
 \$ 45,000 Reduction of utility expenditures due to installation of solar panels  
 \$ 36,500 PD overtime reductions through scheduling management (\$550,000 remaining)  
 \$ 30,200 Various recreation cost savings  
 \$ 30,000 K9 purchase deferred to 2017/18  
 \$ 27,850 Various reductions in training across departments  
 \$ 27,000 Delay the purchase of software for City Clerk and Human Resources  
 \$ 25,000 LAFCO charges inadvertently budgeted twice  
 \$ 25,000 Reduced need for special counsel for human resources matters  
 \$ 21,200 Defer hiring of crime analyst (Seaside's share)  
 \$ 15,000 Reduction in marketing materials in economic development  
 \$ 14,450 Reduction in various recruitment accounts

\$912,312

#### General Fund Reserves:

The City Council has set aside reserve funds over during the last year and as of May 5, 2016 the balances were as follows (next page):

|                   |      |              |
|-------------------|------|--------------|
| • Capital Reserve | 103% | \$ 1,446,638 |
|-------------------|------|--------------|

|                                  |     |                     |
|----------------------------------|-----|---------------------|
| • Special Reserve                | 51% | \$ 1,445,496        |
| • Emergency Reserve              | 50% | <u>\$ 2,113,544</u> |
| Total reserves as of May 5, 2016 | 60% | <u>\$ 5,005,678</u> |

**2017-2018:**

The 2017-2018 General Fund Budget Preview indicates the Budget is not yet balanced.

| <i>2017-2018 General Fund Budget Preview</i> |               |
|----------------------------------------------|---------------|
| Estimated Revenues                           | \$27,308,048  |
| Projected Expenditures                       | (28,760,307)  |
|                                              |               |
| Operating Imbalance                          | (\$1,452,259) |

The major projected components of the 2017-2018 operating imbalance are continued funding of the Youth Violence Prevention Program in the amount of \$600,000 upon cessation of the Cal Grip grant, \$685,000 for estimated personnel cost increases, including salaries, PERS and health care, and the General Plan Update in the amount of \$455,000.

This imbalance will be addressed during the next year with a three pronged approach:

1. Staff will analyze and implement operational efficiencies;
2. Revenue diversification alternatives will be considered by the City Council;
3. Economic development projects moving forward.

**Appropriations Limit Calculation:**

In accordance with Proposition 13, each year the City is required to make a calculation to determine that it is not expending funds on certain items in excess of the taxes that are collected, adjusted for population changes and cost of living changes. Each prior year's Appropriations Limit is carried forward and adjusted for the adjustment factors. This calculation will be presented with the final draft of the budget prior to adoption.

**OTHER FUNDS**

In addition to the General Fund, the budget includes funds from a range of restricted sources that are used to provide specific services, including funds from the Federal Community Development Act (CDBG); Gas Tax; Storm Water Maintenance Fund; and the Seaside Municipal Water System (Water Fund).

**Community Development Block Grant (CDBG) Fund:**

The revenues in this fund come from grants from the Federal Community Development Act. CDGB funds are restricted to the revitalization of low and moderate-income areas of the City. In addition, the City of Seaside CDBG Fund receives income from the Embassy Suites rental and principal and interest income from several loan programs. Estimated revenues for 2016-2017 are

\$599,822.

CDBG expenditures for 2016-2017 are budgeted to be \$599,822. The funds are budgeted for public service programs, debt repayment and other community service related expenditures.

**Gas Tax Funds:**

Gas tax funds are collected by the State from gas sales. They are then distributed by the State to cities and counties based on population. Gas Tax revenues are estimated to be \$698,315 during the 2016-2017 budget year. Gas tax fund expenditures are projected to be \$1,456,846 for the 2016-2017 year. The cost of street maintenance requires the General Fund to transfer approximately \$758,531 in 2016-2017 to cover the difference between funding received from the State and the costs of street maintenance.

**Storm Water Maintenance Fund:**

This fund was established to account for revenues and expenditures related to the operation and maintenance of the City's storm drain and storm water management system. Approximately \$633,200 has been budgeted from the General Fund to cover Storm Water costs in 2016-2017.

**Water Fund:**

The Water Fund receives revenues from user charges based on water usage. All expenditures for the operation of the water system including maintenance, capital outlay, debt service, and depreciation are charged to this fund. The Water Fund budgeted expenditures are \$1,108,302. The water receipts are estimated to be \$660,000 for the 2016-2017 budget year.

**FEE SCHEDULE AND THE CAPITAL IMPROVEMENT PLAN**

Consideration of the Fee Schedule and the Capital Improvement Plan will be scheduled at the June 2nd meeting.

**FISCAL IMPACT**

The fiscal impact of this item is to consider the establishment of revenue and expenditures levels for the 2016-2017 fiscal year and consider revenue and expenditure levels for the 2017-2018 fiscal year.

**ATTACHMENTS**

1. 2016-2017 Preliminary Budget and 2017-2018 Budget Plan - To be distributed under separate cover at the meeting of May 19, 2016
  2. Available on the City Website beginning May 20, 2016
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Reviewed for Submission to the  
City Council by:

**Meeting Date: May 19, 2016**



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Craig Malin, City Manager