



CITY COUNCIL Agenda

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Aug. 20, 2024, 5 p.m.

Welcome to Your City Council Meeting

We welcome your interest and involvement in the city's legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

How to Watch

In Person



City Council Chamber
1200 Carlsbad Village Drive

On TV



Watch the city's cable channel
Spectrum 24 and AT&T U-verse 99

Online



Watch the livestream at
carlsbadca.gov/watch

How to Participate

If you would like to provide comments to the City Council, please:

- Fill out a speaker request form, located in the foyer.
- Submit the form to the City Clerk before the item begins.
- When it's your turn, the City Clerk will call your name and invite you to the podium.
- For non-agenda public comment, speakers must confine their remarks to matters within the City Council's subject matter jurisdiction.
- For public comment on agenda items, speakers must confine their remarks to the question or matter under consideration.
- Speakers have three minutes, unless the presiding officer (usually the Mayor) changes that time.
- You may not give your time to another person, but can create a group. A group must select a single speaker as long as three other members of your group are present. All forms must be submitted to the City Clerk before the item begins and will only be accepted for items listed on the agenda (not for general public comment at the beginning of the meeting). Group representatives have 10 minutes unless that time is changed by the presiding officer or the City Council.
- Failure to comply with the rules for public participation is disruptive conduct. Continuing disruptive conduct after being asked by the presiding official to cease may result in removal from the meeting.

Reasonable Accommodations

Reasonable Accommodations Persons with a disability may request an agenda packet in appropriate alternative formats as required by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the City Manager's Office at 442-339-2821 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or manager@carlsbadca.gov by noon on the Monday before the meeting to make arrangements. City staff will respond to requests by noon on Tuesday, the day of the meeting, and will seek to resolve requests before the start of the meeting in order to maximize accessibility.

More information about City Council meeting procedures can be found at the end of this agenda and in the Carlsbad Municipal Code chapter 1.20.

The City Council also sits as the Carlsbad Municipal Water District Board, Public Financing Authority Board, Community Development Commission and Successor Agency to the Redevelopment Agency. When considering items presented to the Carlsbad Municipal Water District Board, each member receives an additional \$100 per meeting (max \$300/month). When considering items presented to the Community Development Commission each member receives an additional \$75 per meeting (max \$150/month).

CALL TO ORDER:

ROLL CALL:

ANNOUNCEMENT OF CONCURRENT MEETINGS: None.

PLEDGE OF ALLEGIANCE:

APPROVAL OF MINUTES: None.

PRESENTATIONS: None.

PUBLIC REPORT OF ANY ACTION TAKEN IN CLOSED SESSION:

PUBLIC COMMENT: *The Brown Act allows any member of the public to comment on items not on the agenda, provided remarks are confined to matters within the City Council's subject matter jurisdiction. Please treat others with courtesy, civility, and respect. Members of the public may participate in the meeting by submitting comments as provided on the front page of this agenda. The City Council will receive comments as requested up to a total of 15 minutes in the beginning of the meeting. All other non-agenda public comments will be heard at the end of the meeting. In conformance with the Brown Act, no action can occur on these items.*

CONSENT CALENDAR: *The items listed under Consent Calendar are considered routine and will be enacted by one motion as listed below. There will be no separate discussion on these items prior to the time the Council votes on the motion unless members of the Council, the City Manager, or the public request specific items be discussed and/or removed from the Consent Calendar for separate action.*

1. **REPORT ON CITY INVESTMENTS AS OF JUNE 30, 2024** – Accept and file Report on City Investments as of June 30, 2024. (Staff contact: Zach Korach, Administrative Services Department)
2. **AGREEMENT WITH HINDERLITER DE LLAMAS AND ASSOCIATES FOR SALES AND USE TAX AUDITING, ANALYSIS AND REPORTING SERVICES** – 1) Adoption of a resolution authorizing the Mayor to enter into an agreement with Hinderliter de Llamas and Associates as the consultant authorized to examine sales and use tax records of the California Department of Tax and Fee Administration on the city's behalf; and
2) Adoption of a resolution approving Hinderliter de Llamas and Associates as the consultant authorized to examine sales and use tax records of the California Department of Tax and Fee Administration on the city's behalf. (Staff contact: Jason Rosado, Administrative Services Department)
3. **CITY COUNCIL CODE OF ETHICS AND PUBLIC SERVICE VALUES** – Adoption of a resolution affirming the City Council Code of Ethics and Public Service Values as proposed at the regular City Council meeting held on July 16, 2024. (Staff contact: Sheila Cobian, City Manager Department)
4. **SUMMARY VACATION OF RELINQUISHMENT OF ACCESS RIGHTS OVER A PORTION OF LOT 3 SUBDIVISION MAP NO. 14962 LOCATED ON WHIPTAIL LOOP (VAC2023-0001)** – Adoption of a resolution approving a summary vacation of a relinquishment of access rights over a portion of Lot 3 of Subdivision Map No. 14962 located on Whiptail Loop. (Staff contact: David Rick, Community Services Department)

5. SUMMARY VACATION OF AN UNNAMED PUBLIC EASEMENT AT 3851 PARK DRIVE (VAC2024-0001)
Adoption of a resolution approving a summary vacation of an unnamed public easement over a portion of Lot 41 of development Map No. 3019, located at 3851 Park Drive. (Staff contact: Nichole Fine, Community Services Department)
6. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARLSBAD AND CARLSBAD UNIFIED SCHOOL DISTRICT FOR THE SCHOOL RESOURCE OFFICER PROGRAM FOR THE 2024-25 SCHOOL YEAR
Adoption of a resolution approving a memorandum of understanding between the City of Carlsbad and Carlsbad Unified School District for the School Resource Officer Program for the 2024-25 school year. (Staff contact: Jeffery Smith and Amanda Simpson, Police Department)

BOARD AND COMMISSION MEMBER APPOINTMENTS: None.

ORDINANCES FOR INTRODUCTION: None.

ORDINANCES FOR ADOPTION:

7. ORDINANCE NOS. CS-473 AND CS-474 AMENDING TITLE 8, TITLE 11, TITLE 15 AND TITLE 21 OF THE CARLSBAD MUNICIPAL CODE – 1) Adoption of Ordinance No. CS-473 approving amendments to Title 8, Public Peace, Morals and Safety, and Title 11, Public Property, of the Carlsbad Municipal Code; and 2) Adoption of Ordinance No. CS-474 approving a zone code amendment and a Local Coastal Program Amendment to Title 15, Grading and Drainage, and Title 21, Zoning Ordinance, of the Carlsbad Municipal Code to complete various miscellaneous cleanup changes. (Staff contact: Faviola Medina, City Clerk Department)

City Manager’s Recommendation: Adopt Ordinance Nos. CS-473 and CS-474.

8. ORDINANCE NO. CS-475 ADDING CHAPTER 6.15 TO THE CARLSBAD MUNICIPAL CODE TO PROHIBIT SMOKING IN MULTI-UNIT RESIDENCES – Adoption of Ordinance No. CS-475 adding Chapter 6.15 to the Carlsbad Municipal Code to prohibit smoking in multi-unit residences. (Staff contact: Faviola Medina, City Clerk Department)

City Manager’s Recommendation: Adopt Ordinance No. CS-475.

PUBLIC HEARING: None.

DEPARTMENTAL AND CITY MANAGER REPORTS:

9. RESUSCITATION OUTCOMES, 2023-2024 – Receive a report describing recent outcomes of emergency medical services patients in cardiac arrest. (Staff contact: Nathan Pearson, Fire Department)

City Manager’s Recommendation: Receive the report.

10. PROGRESS REPORT ON ACTIONS TO ADDRESS CONCERNS RELATED TO THE WINDSOR POINTE AFFORDABLE HOUSING PROJECT – Receive a progress report on City Council directed actions related to the Windsor Pointe Affordable Housing Project. (Staff contact: Mandy Mills, Community Services Department and Reid Shipley, Police Department)

City Manager’s Recommendation: Receive the report.

COUNCIL COMMENTARY AND REQUESTS FOR CONSIDERATION OF MATTERS: *This portion of the agenda is for the City Council Members to make brief announcements, brief reports of their activities and requests for future agenda items.*

City Council Regional Assignments (Revised 12/12/23)

Keith Blackburn
Mayor
Buena Vista Lagoon JPC
Chamber of Commerce Liaison (alternate)
Encina Joint Powers JAC
Encina Wastewater Authority Board of Directors
Economic Development Subcommittee
SANDAG Board of Directors (2nd alternate)
SANDAG Shoreline Preservation Work Group (alternate)

Priya Bhat-Patel
Mayor Pro Tem – District 3
City/School Committee
Clean Energy Alliance JPA
Economic Development Subcommittee
League of California Cities – SD Division (alternate)
North County Transit District
SANDAG Board of Directors (1st alternate)

Melanie Burkholder
Council Member – District 1
City Council Legislative Subcommittee
North County Dispatch Joint Powers Authority (alternate)
SANDAG Board of Directors

Teresa Acosta
Council Member – District 4
Chamber of Commerce Liaison
City Council Legislative Subcommittee
City/School Committee
Clean Energy Alliance JPA (alternate)
Encina Joint Powers JAC (alternate)
Encina Wastewater Authority Board of Directors (alternate)
League of California Cities – SD Division
North County Dispatch Joint Powers Authority
San Diego County Water Authority

Carolyn Luna
Council Member – District 2
Buena Vista Lagoon JPC
Encina Joint Powers JAC
Encina Wastewater Authority Board of Directors
North County Transit District (alternate)
SANDAG Shoreline Preservation Work Group

PUBLIC COMMENT: Continuation of the Public Comments

This portion of the agenda is set aside for continuation of public comments, if necessary, due to exceeding the total time allotted in the first public comments section. In conformance with the Brown Act, no Council action can occur on these items.

ANNOUNCEMENTS:

This section of the Agenda is designated for announcements to advise the community regarding events that Members of the City Council have been invited to, and may participate in.

CITY MANAGER COMMENTS:

CITY ATTORNEY COMMENTS:

CITY CLERK COMMENTS:

ADJOURNMENT:

City Council Meeting Procedures *(continued from page 1)*

Written Materials

Written materials related to the agenda that are submitted to the City Council after the agenda packet has been published will be available for review prior to the meeting during normal business hours at the City Clerk's office, 1200 Carlsbad Village Drive and on the city website. To review these materials during the meeting, please see the City Clerk.

Visual Materials

Visual materials, such as pictures, charts, maps or slides, are allowed for comments on agenda items, not general public comment. Please contact the City Manager's Office at 442-339-2820 or manager@carlsbadca.gov to make arrangements in advance. All materials must be received by the City Manager's Office no later than noon the day before the meeting. The time spent presenting visual materials is included in the maximum time limit provided to speakers. All materials exhibited to the City Council during the meeting are part of the public record. **Please note that video presentations are not allowed.**

Decorum

All participants are expected to conduct themselves with mutual respect. Loud, boisterous and unruly behavior can interfere with the ability of the City Council to conduct the people's business. That's why it is illegal to disrupt a City Council meeting. Following a warning from the presiding officer, those engaging in disruptive behavior are subject to law enforcement action.

City Council Agenda

The City Council follows a regular order of business that is specified in the Carlsbad Municipal Code. The City Council may only make decisions about topics listed on the agenda.

Presentations

The City Council often recognizes individuals and groups for achievements and contributions to the community. Well-wishers often fill the chamber during presentations to show their support and perhaps get a photo. If you don't see an open seat when you arrive, there will likely be one once the presentations are over.

Consent Items

Consent items are considered routine and may be enacted together by one motion and vote. Any City Council member may remove or "pull" an item from the "consent calendar" for a separate vote. Members of the public may pull an item from the consent calendar by requesting to speak about that item. A speaker request form must be submitted to the clerk prior to the start of the consent portion of the agenda.

Public Comment

Members of the public may speak on any city related item that does not appear on the agenda, provided remarks are confined to matters within the City Council's subject matter jurisdiction. State law prohibits the City Council from taking action on items not listed on the agenda. Comments requiring follow up will be referred to staff and, if appropriate, considered at a future City Council meeting. Members of the public are also welcome to provide comments on agenda items during the portions of the meeting when those items are being discussed, provided remarks are confined to the question or matter under consideration. In both cases, a request to speak form must be submitted to the clerk in advance of that portion of the meeting beginning.

Public Hearing

Certain actions by the City Council require a "public hearing," which is a time within the regular meeting that has been set aside and noticed according to different rules.

Departmental Reports

This part of the agenda is for items that are not considered routine and do not require a public hearing. These items are usually presented to the City Council by city staff and can be informational in nature or require action. The staff report about each item indicates the purpose of the item and whether or not action is requested.

Other Reports

At the end of each meeting, City Council members and the City Manager, City Attorney and City Clerk are given an opportunity to share information. This usually includes reports about recent meetings, regional issues, and recent or upcoming meetings and events.

City Council Actions

Resolution

A resolution is an official statement of City Council policy that directs administrative or legal action or embodies a public City Council statement. A resolution may be introduced and adopted at the same meeting. Once adopted, it remains City Council policy until changed by subsequent City Council resolution.

Ordinance

Ordinances are city laws contained in the Carlsbad Municipal Code. Enacting a new city law or changing an existing one is a two-step process. First, the ordinance is “introduced” by city staff to the City Council. If the City Council votes in favor of the introduction, the ordinance will be placed on a subsequent City Council meeting agenda for “adoption.” If the City Council votes to adopt the ordinance, it will usually go into effect 30 days later.

Motion

A motion is used to propose City Council direction related to an item on the agenda. Any City Council member may make a motion. A motion must receive a “second” from another City Council member to be eligible for a City Council vote.



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Zach Korach, Finance Director
zach.korach@carlsbadca.gov, 442-339-2127

Subject: Report on City Investments as of June 30, 2024

District: All

Recommended Action

Accept and file Report on City Investments as of June 30, 2024.

Executive Summary

The city's Investment Policy requires the City Treasurer to report the status of the city's pooled investment portfolio to the City Council each month.

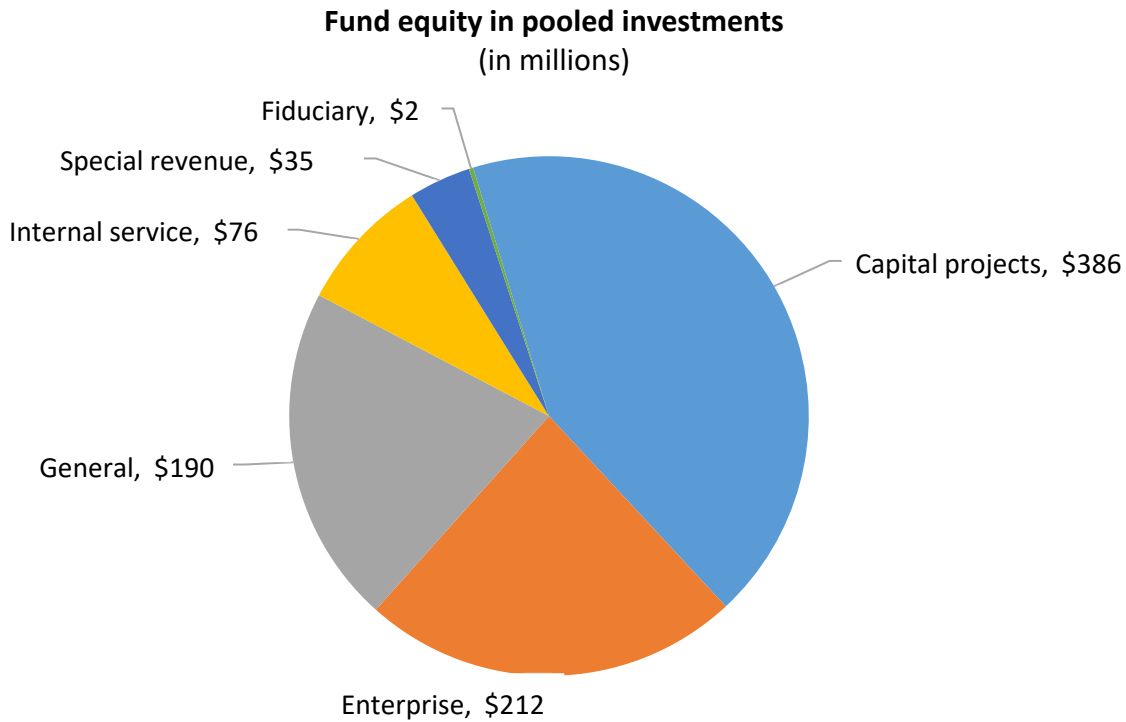
Discussion & Fiscal Analysis

The city's pooled investment portfolio as of the month ending June 30, 2024, is summarized below.

Pooled investment portfolio (cash and securities)		
	Current month	Prior month
Par value ¹	\$902,855,260	\$908,293,378
Investment cost	\$899,340,193	\$905,226,727
Amortized cost ²	\$897,056,042	\$902,529,630
Market value ³	\$871,929,110	\$874,827,309

- (1) The face value of the investments.
- (2) The cost of investments adjusted for amortized premiums and discounts.
- (3) The amount at which the investments could be sold. Source of market value is Principal custodial report.

The equity portion of the various funds in the total portfolio, that is, the part of the total investment portfolio assigned to each fund, is summarized in the graph below. Fund balances are restricted for various purposes (See Exhibit 6 for a more detailed breakdown).



Pooled investment interest income⁴

	Fiscal year to date	Current month	Prior month
Cash income	\$21,201,394	\$1,785,272	\$1,574,890

(4) The cash income received is adjusted for any received interest previously purchased.

Pooled investment performance

	Average life (years)	Yield ⁵	Modified duration
April 2024	1.83	2.77%	1.56
May 2024	1.83	2.83%	1.57
June 2024	1.85	2.88%	1.59

(5) Yield is computed by totaling the weighted average of each investment's return less any costs.

All pooled investments have been made in accordance with the city's Investment Policy, which was adopted Jan. 2, 1985, and last revised Mar. 12, 2024; however, events after the purchase might result in perceived non-compliance with the current policy. These events are typically a change in the credit rating after a purchase, a change in the city's Investment Policy, or a temporary reduction in total portfolio assets.

Exhibit 7 shows the investments out of compliance with the current policy that experienced a subsequent change in credit rating. Ratings on one investment has dropped to less than the rating required by the Investment Policy since the initial purchase. In addition, one investment was refunded and collateralized by the US Treasury since the initial purchase and is therefore not rated. Corporate notes and municipal bonds require a “split rating” of AA from one rating company and an A rating from a second. Mortgage-backed securities require an AA rating from one rating company.

The city’s Investment Policy allows the City Treasurer to determine the course of action that would correct exceptions to the policy. All investments are paying interest at the required times and their principal is considered secure. It is the intent of the City Treasurer to hold these assets in the portfolio until maturity unless events indicate they should be sold.

Not less than two-thirds of the current fiscal year operating budget shall mature within one year. The maturity value within one year is \$329,119,127 which is 87.2% of the current year operating budget. The investment portfolio has the ability to meet the city’s anticipated cash flow demands for the next six months.

Next Steps

The report on city investments will continue to be produced monthly by the City Treasurer.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. Investments by cost, market value, cash income and average yield by class
2. Maturities by classification and length of time at market value
3. Yield comparison & market yield curve
4. Cash income by month & cumulative cash income
5. Maturities, calls and purchases this quarter
6. Fund equity in pooled investments
7. Security ratings and outlooks
8. Portfolio allocation at amortized cost by issuer
9. Investment detail
10. Section 115 Trust activity
11. Investments of bond accounts

City of Carlsbad investment portfolio
Investments by cost, market value, cash income and average yield by class

Exhibit 1

June 30, 2024

Class	Investment cost		Market value		YTD net income	Average yield		Percent of total
	Current month	Prior month	Current month	Prior month		Current month	Prior month	
Certificate of deposit	\$ 22,472,876.92	\$ 22,721,876.92	\$ 21,681,219.08	\$ 21,857,797.81	\$ 402,198.85	2.13%	2.13%	2.49%
Corporate notes	124,920,256.00	118,131,404.93	118,114,446.81	111,010,986.71	3,860,367.26	2.45%	2.20%	13.55%
Federal agency	348,792,389.47	353,523,492.04	336,219,140.00	339,651,953.22	4,577,797.46	2.00%	1.99%	38.56%
Mortgage passthrough securities	76,555,994.97	74,401,307.43	74,537,656.97	72,026,232.83	1,474,943.98	3.85%	3.79%	8.55%
Municipal bonds	99,115,970.40	101,371,706.65	95,882,866.75	97,501,362.75	1,883,435.78	2.72%	2.61%	11.00%
Supranational securities	22,183,412.00	22,183,412.00	21,264,562.30	21,164,214.50	395,735.86	1.99%	1.99%	2.44%
US Treasury	54,471,925.29	54,471,925.29	53,401,850.00	53,193,160.00	899,594.85	2.55%	2.55%	6.12%
General cash account	2,413,725.00	2,066,656.00	2,413,725.00	2,066,656.00	-	0.00%	0.00%	0.28%
Sweep account	12,841,166.63	21,203,661.45	12,841,166.63	21,203,661.45	503,052.26	5.19%	5.19%	1.47%
Investment cash account	1,502,826.10	7,659,786.05	1,502,826.10	7,659,786.05	119,523.61	2.95%	2.95%	0.17%
California Asset Mgmt Program (CAMP)	132,222,971.75	125,644,819.29	132,222,971.75	125,644,819.29	7,016,914.67	5.43%	5.43%	15.16%
Local Agency Investment Fund (LAIF)	1,846,678.87	1,846,678.87	1,846,678.87	1,846,678.87	67,829.38	4.48%	4.33%	0.21%
Total	\$ 899,340,193.40	\$ 905,226,726.92	\$ 871,929,110.26	\$ 874,827,309.48	\$ 21,201,393.96	2.88%	2.83%	100.00%

Policy:

Certificates of deposit and corporate notes are limited to 30% of total portfolio at the time of purchase.

Pass through securities are limited to 20% of total portfolio at the time of purchase.

Municipal bonds are limited to 15% of total portfolio at the time of purchase.

Supranational securities are limited to 10% of total portfolio at the time of purchase.

City of Carlsbad investment portfolio
Maturities by classification and length of time at market value
June 30, 2024

Exhibit 2

Class	Overnight	Within 12 months	13-36 months	37-60 months	Total
Certificate of deposit	\$ -	\$ 5,315,775.59	\$ 9,526,777.26	\$ 6,838,666.23	\$ 21,681,219.08
Corporate notes	-	35,392,448.81	53,244,497.00	29,477,501.00	118,114,446.81
Federal agency	-	83,635,135.45	163,331,370.10	89,252,634.45	336,219,140.00
Mortgage passthrough securities	-	7,041,159.06	14,003,588.71	53,492,909.20	74,537,656.97
Municipal bonds	-	17,469,251.20	42,350,762.85	36,062,852.70	95,882,866.75
Supranational securities	-	5,381,048.80	8,497,930.00	7,385,583.50	21,264,562.30
US Treasury	-	24,056,940.00	19,454,350.00	9,890,560.00	53,401,850.00
General cash account	2,413,725.00	-	-	-	2,413,725.00
Sweep account	12,841,166.63	-	-	-	12,841,166.63
Investment cash account	1,502,826.10	-	-	-	1,502,826.10
California Asset Mgmt Program (CAMP)	132,222,971.75	-	-	-	132,222,971.75
Local Agency Investment Fund (LAIF)	1,846,678.87	-	-	-	1,846,678.87
Totals	\$ 150,827,368.35	\$ 178,291,758.91	\$ 310,409,275.92	\$ 232,400,707.08	\$ 871,929,110.26
Percent Total	17.30%	20.45%	35.60%	26.65%	100.00%

Funds maturing within one year \$ 329,119,127.26

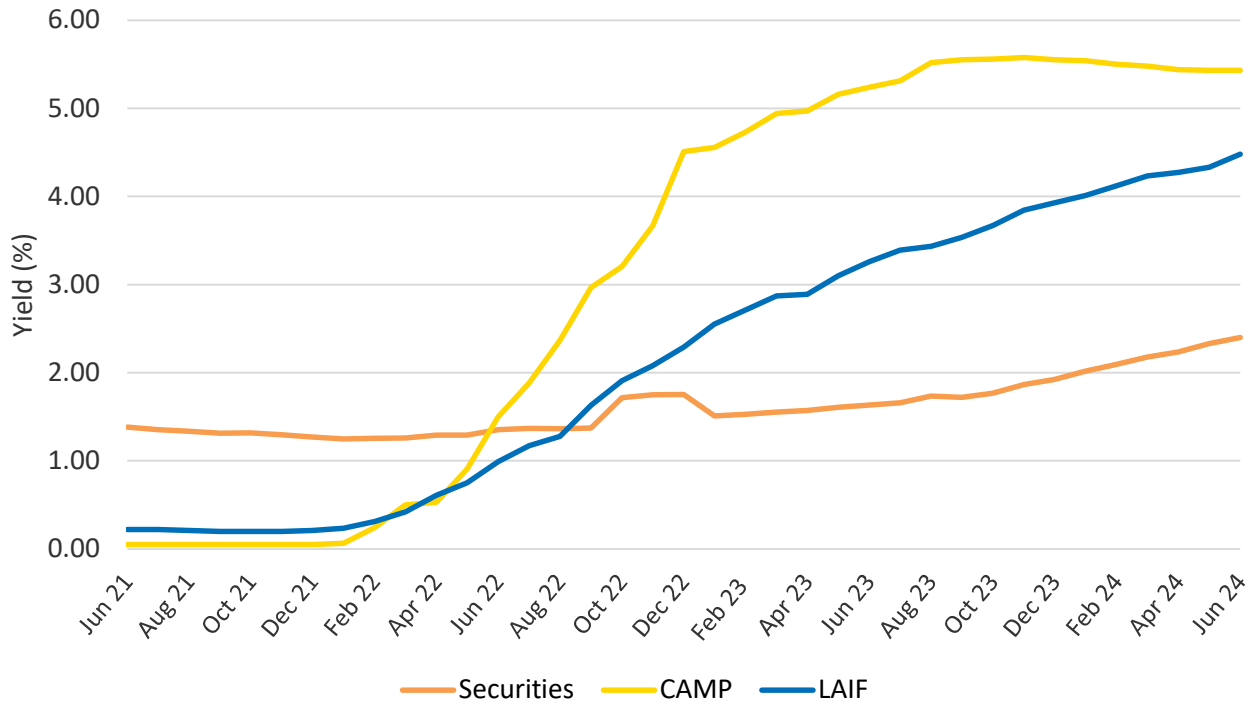
Percentage of the budget 87.24%

Policy:

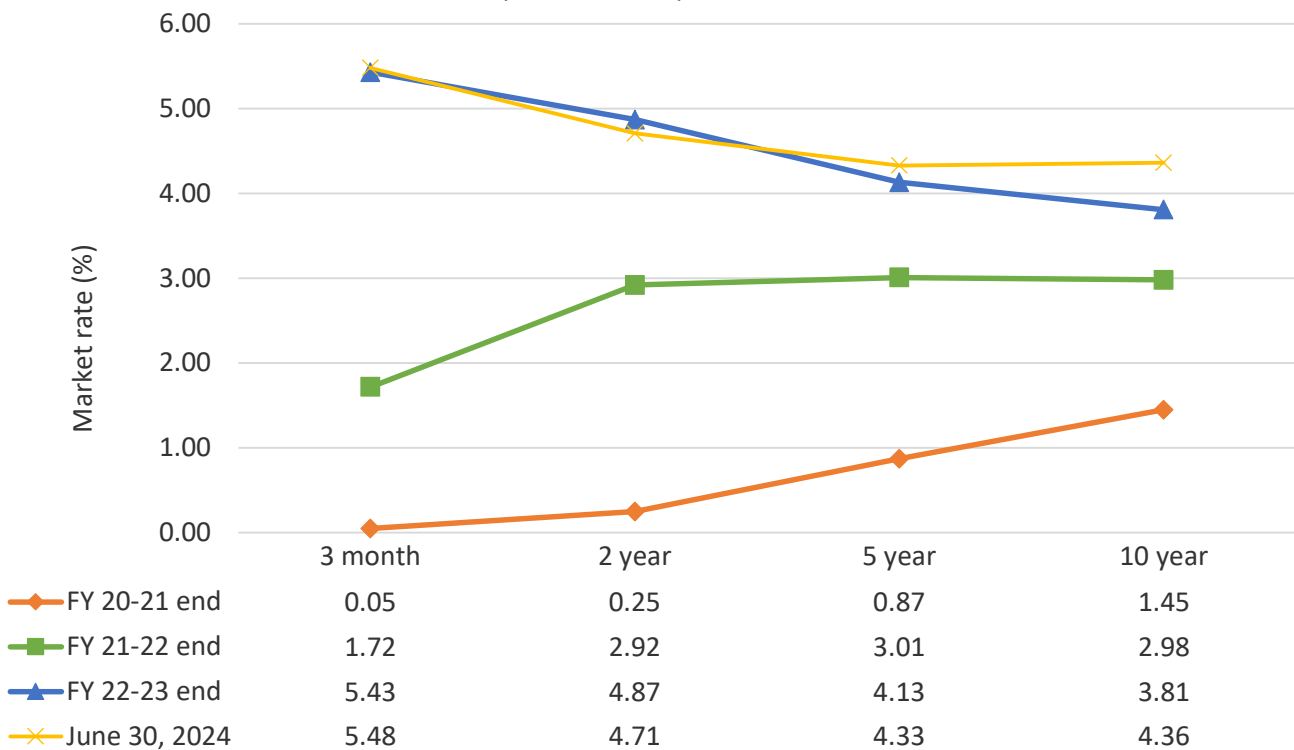
Not less than \$251,510,000 to mature within one year, two-thirds of FY 23-24 operating budget of \$377,263,607.

Maximum term for all securities is five years.

Yield comparison: Securities vs CAMP vs LAIF
Three year comparison

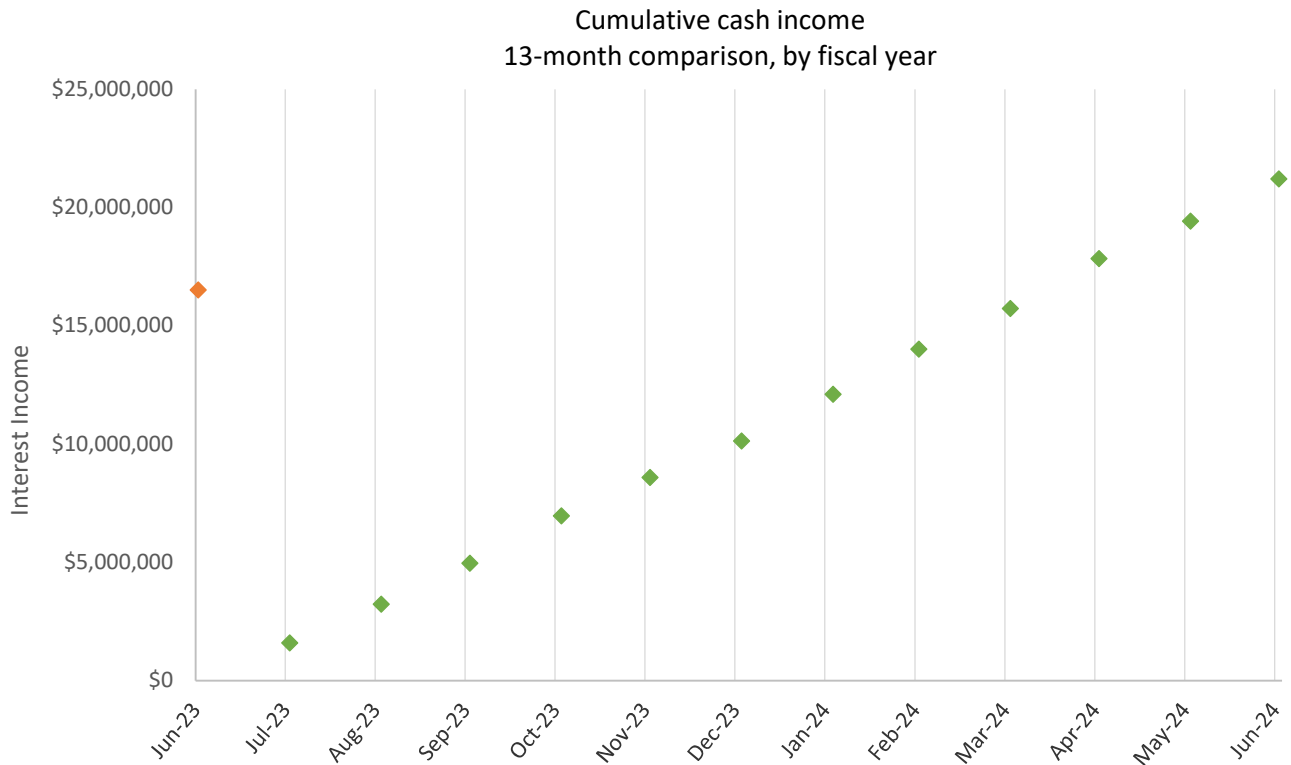
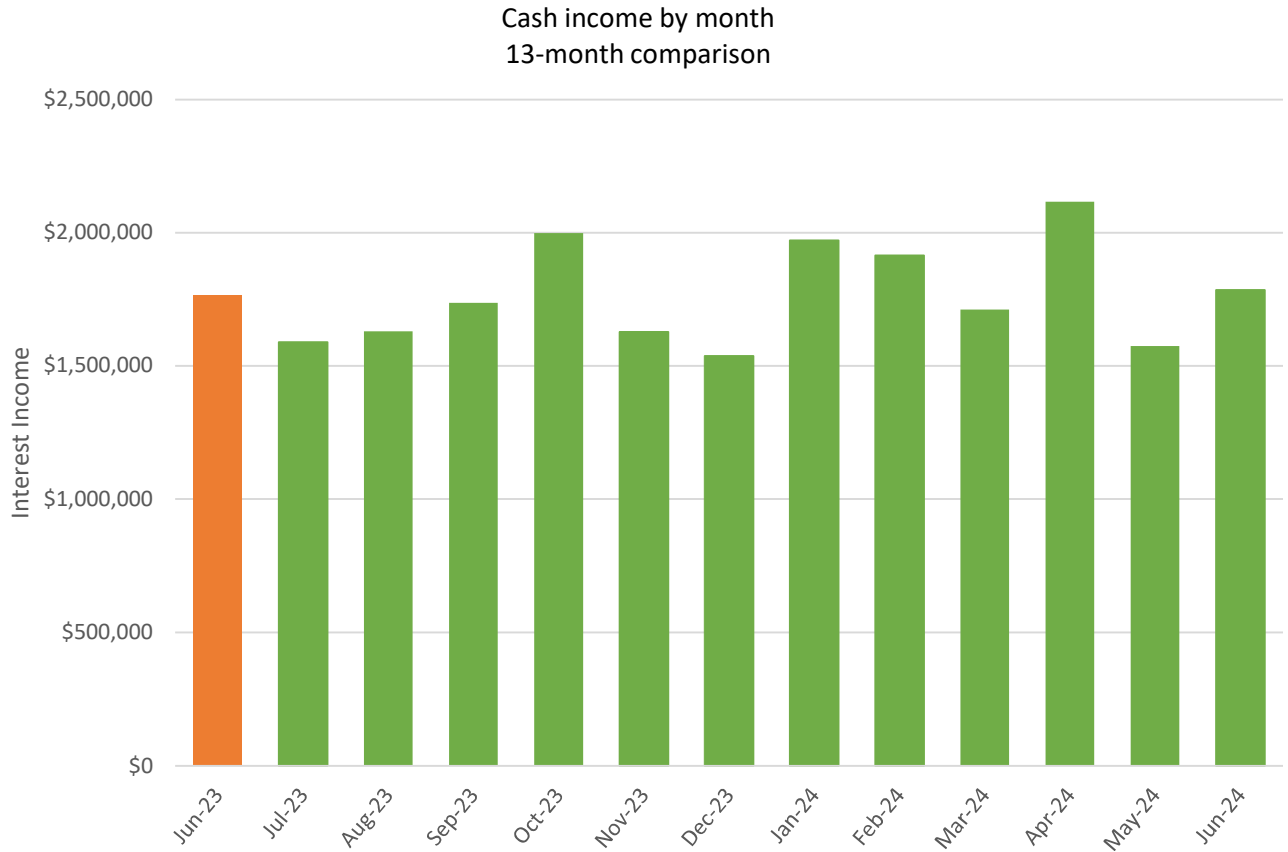


Yield comparison: market yields
Fiscal year ends compared to current



Cash income

June 30, 2024



City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

Exhibit 5

June 30, 2024

Maturities

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Total Interest	Total
Certificate of deposit								
29367RKT2	Enterprise Bank	05/16/19	05/16/24	2.60%	\$ 246,000.00	\$ 246,000.00	\$ 32,015.04	\$ 278,015.04
27002YEN2	Eagle Bank	05/24/19	05/24/24	2.50%	249,000.00	249,000.00	31,159.07	280,159.07
336460CQ1	First State Bank Dequeen	06/28/19	06/28/24	2.30%	249,000.00	249,000.00	28,666.23	277,666.23
Corporate notes								
931142DP5	Wal-Mart	04/24/20	04/22/24	3.30%	\$ 2,500,000.00	\$ 2,500,000.00	\$ 329,541.67	\$ 2,829,541.67
931142DP5	Wal-Mart	04/24/20	04/22/24	3.30%	2,000,000.00	2,000,000.00	263,633.33	2,263,633.33
48133DE55	JP Morgan Chase Bank	04/29/22	04/29/24	3.13%	1,500,000.00	1,500,000.00	93,750.00	1,593,750.00
46625HJX9	JP Morgan Chase Bank	07/31/19	05/13/24	3.63%	2,000,000.00	2,000,000.00	346,791.67	2,346,791.67
46625HJX9	JP Morgan Chase Bank	07/13/20	05/13/24	3.63%	3,000,000.00	3,000,000.00	416,875.00	3,416,875.00
46625HJX9	JP Morgan Chase Bank	12/13/21	05/13/24	3.63%	1,750,000.00	1,750,000.00	153,307.29	1,903,307.29
06406HCV9	Bank of New York Mellon	07/10/20	05/15/24	3.40%	3,000,000.00	3,000,000.00	392,416.67	3,392,416.67
06048WQ60	Bank of America	12/03/21	06/03/24	1.00%	2,500,000.00	2,500,000.00	62,500.00	2,562,500.00
Federal agency								
3133EKG2	Federal Farm Credit Banks	04/12/19	04/05/24	2.30%	\$ 2,000,000.00	\$ 2,000,000.00	\$ 229,105.56	\$ 2,229,105.56
3133EMXB3	Federal Farm Credit Banks	04/23/21	04/22/24	0.34%	2,000,000.00	2,000,000.00	20,381.11	2,020,381.11
3134GWZT6	Federal Home Loan Mtg Corp	04/05/21	04/23/24	0.32%	1,000,000.00	1,000,000.00	9,760.00	1,009,760.00
3130AGEF8	Federal Home Loan Bank	05/09/19	05/07/24	2.40%	1,000,000.00	1,000,000.00	119,866.67	1,119,866.67
3133EKNX0	Federal Farm Credit Banks	08/28/19	06/03/24	2.16%	1,470,000.00	1,470,000.00	151,263.00	1,621,263.00
3135GA5Y3	Federal National Mortgage Assc	11/29/21	06/14/24	3.75%	2,000,000.00	2,000,000.00	19,062.50	2,019,062.50
3133EKEC6	Federal Farm Credit Banks	08/29/19	06/25/24	2.45%	1,183,000.00	1,183,000.00	139,945.39	1,322,945.39
Mortgage passthrough securities								
31398E6W9	FHLM - FHR 3544 BC	08/27/20	04/15/24	0.53%	\$ 4,301.02	\$ 4,506.66	\$ 27.41	\$ 4,534.07
30311SAA7	FRESB - 2022-SB97 A5F	04/22/22	04/25/24	2.80%	5,004.76	4,806.41	4,975.08	9,781.49
30315EAA4	FRESB - MFM	07/24/20	04/25/24	0.83%	1,374.92	1,381.64	610.31	1,991.95
30318NAA1	FRESB - 2021-SB83	02/19/21	04/25/24	0.51%	2,125.06	2,135.04	634.09	2,769.13
30321CAQ5	FRESB - 2021-SB88 A5F	07/23/21	04/25/24	0.75%	2,815.84	2,829.06	1,225.68	4,054.74
30324QAC2	FRESB - 2022-SB94	01/21/22	04/25/24	1.50%	7,215.76	7,249.13	5,725.02	12,974.15
30329MAA0	FRESB - 2022-SB103 A5F	10/28/22	04/25/24	4.99%	1,967.80	1,762.93	2,557.55	4,320.48
30329QAA1	FRESB - 2022-SB104 A5F	11/18/22	04/25/24	2.60%	4,537.47	4,141.98	8,436.13	12,578.11
30332EAA3	FRESB - 2023-SB107 A5F	07/20/23	04/25/24	4.09%	376.93	368.74	10,214.28	10,583.02
30333AAA0	FRESB - 2023-SB108 A5F	08/17/23	04/25/24	4.79%	800.54	783.29	12,374.95	13,158.24
30334CAA5	FRESB - 2023-SB111 A5F	11/16/23	04/25/24	5.28%	142.52	139.33	10,791.23	10,930.56
3132XGRH1	FRESB - WN2287	01/27/23	04/25/24	3.93%	3,603.81	3,571.15	9,483.58	13,054.73
3137BL6J2	FHLM - FHMS K048 A1	07/22/22	04/25/24	3.43%	71,955.00	71,235.45	1,137.51	72,372.96
3137BM7B6	FHMS - K051 A1	06/30/22	04/25/24	3.30%	91,666.18	90,950.04	4,770.72	95,720.76
3137BP4J5	FHLM - FHMS K1R1	08/20/21	04/25/24	0.41%	42,656.12	44,675.62	2,247.59	46,923.21

City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

June 30, 2024

Maturities cont.

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total
3137F32A1	FHLM - KHG1 A1	04/15/20	04/25/24	0.99%	85,411.11	91,550.03	1,970.85	93,520.88
3137FBTA4	FHLM - FHMS K728	03/10/21	04/25/24	3.06%	4,263.87	4,599.15	6,464.68	11,063.83
3138L7D60	FHLM - AM6424	12/16/22	04/25/24	4.21%	2,545.61	2,464.47	2,788.55	5,253.02
35564CAA5	FHLM - SLST 2018	01/11/24	04/25/24	5.37%	11,405.78	10,946.43	2,929.54	13,875.97
31398E6W9	FHLM - FHR 3544 BC	08/27/20	05/15/24	0.53%	2,538.01	2,659.36	13.08	2,672.44
30311SAA7	FRESB - 2022-SB97 A5F	04/22/22	05/28/24	2.80%	44,544.92	42,779.52	4,967.66	47,747.18
30315EAA4	FRESB - MFM	07/24/20	05/28/24	0.83%	1,459.22	1,466.36	609.36	2,075.72
30318NAA1	FRESB - 2021-SB83	02/19/21	05/28/24	0.51%	2,234.49	2,244.98	632.98	2,877.96
30321CAQ5	FRESB - 2021-SB88 A5F	07/23/21	05/28/24	0.75%	2,977.68	2,991.66	1,223.62	4,215.28
30324QAC2	FRESB - 2022-SB94	01/21/22	05/28/24	1.50%	237,608.77	238,707.71	5,715.16	244,422.87
30329MAA0	FRESB - 2022-SB103 A5F	10/28/22	05/28/24	4.99%	2,109.34	1,889.73	2,554.14	4,443.87
30329QAA1	FRESB - 2022-SB104 A5F	11/18/22	05/28/24	2.60%	4,923.45	4,494.31	8,426.30	12,920.61
30332EAA3	FRESB - 2023-SB107 A5F	07/20/23	05/28/24	4.09%	426.77	417.49	10,212.99	10,630.48
30333AAA0	FRESB - 2023-SB108 A5F	08/17/23	05/28/24	4.79%	902.53	883.08	12,372.12	13,255.20
30334CAA5	FRESB - 2023-SB111 A5F	11/16/23	05/28/24	5.28%	170.05	166.24	10,790.67	10,956.91
3132XGRH1	FRESB - WN2287	01/27/23	05/28/24	3.93%	3,993.81	3,957.62	9,166.58	13,124.20
3137BL6J2	FHLM - FHMS K048 A1	07/22/22	05/28/24	3.43%	76,254.65	75,492.10	976.27	76,468.37
3137BM7B6	FHMS - K051 A1	06/30/22	05/28/24	3.30%	97,952.39	97,187.14	4,550.19	101,737.33
3137BP4J5	FHLM - FHMS K1R1	08/20/21	05/28/24	0.41%	45,218.97	47,359.80	2,160.64	49,520.44
3137F32A1	FHLM - KHG1 A1	04/15/20	05/28/24	0.99%	91,261.59	97,821.02	1,733.05	99,554.07
3137FBTA4	FHLM - FHMS K728	03/10/21	05/28/24	3.06%	209,713.95	226,204.35	6,453.80	232,658.15
3138L7D60	FHLM - AM6424	12/16/22	05/28/24	4.21%	2,554.24	2,472.82	2,781.23	5,254.05
30336BAA5	FRESB - 2024-SB113	04/25/24	05/28/24	5.22%	116.81	115.83	14,641.67	14,757.50
35564CAA5	FHLM - SLST 2018	01/11/24	05/28/24	5.37%	9,820.15	9,424.66	2,896.27	12,320.93
31398E6W9	FHLM - FHR 3544 BC	08/27/20	06/14/24	0.53%	1,384.85	1,451.05	4.62	1,389.47
30311SAA7	FRESB - 2022-SB97 A5F	04/22/22	05/28/24	2.80%	4,970.03	4,773.06	4,901.58	9,871.61
30315EAA4	FRESB - MFM	07/24/20	05/28/24	0.83%	1,384.13	1,390.90	608.35	1,992.48
30318NAA1	FRESB - 2021-SB83	02/19/21	05/28/24	0.51%	2,137.13	2,147.17	631.80	2,768.93
30321CAQ5	FRESB - 2021-SB88 A5F	07/23/21	05/28/24	0.75%	2,832.41	2,845.71	1,221.43	4,053.84
30324QAC2	FRESB - 2022-SB94	01/21/22	05/28/24	1.50%	6,888.31	6,920.17	5,390.43	12,278.74
30329MAA0	FRESB - 2022-SB103 A5F	10/28/22	05/28/24	4.99%	1,980.86	1,774.63	2,550.49	4,531.35
30329QAA1	FRESB - 2022-SB104 A5F	11/18/22	05/28/24	2.60%	4,570.60	4,172.22	8,415.63	12,986.23
30332EAA3	FRESB - 2023-SB107 A5F	07/20/23	05/28/24	4.09%	855.73	837.13	10,211.54	11,067.27
30333AAA0	FRESB - 2023-SB108 A5F	08/17/23	05/28/24	4.79%	1,386.83	1,356.94	12,368.92	13,755.75
30334CAA5	FRESB - 2023-SB111 A5F	11/16/23	05/28/24	5.28%	144.12	140.89	10,790.00	10,934.12
3132XGRH1	FRESB - WN2287	01/27/23	05/28/24	3.93%	3,633.51	3,600.58	9,459.44	13,092.95
3137BL6J2	FHLM - FHMS K048 A1	07/22/22	05/28/24	3.43%	72,448.20	71,723.72	805.40	73,253.60
3137BM7B6	FHMS - K051 A1	06/30/22	05/28/24	3.30%	92,356.61	91,635.07	4,314.75	96,671.36
3137BP4J5	FHLM - FHMS K1R1	08/20/21	05/28/24	0.41%	42,982.26	45,017.20	2,068.47	45,050.73
3137F32A1	FHLM - KHG1 A1	04/15/20	05/28/24	0.99%	85,983.15	92,163.19	1,478.96	87,462.11

City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

June 30, 2024

Maturities cont.

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total
3137FBTA4	FHLM - FHMS K728	03/10/21	05/28/24	3.06%	479,542.41	517,250.18	5,918.33	485,460.74
3138L7D60	FHLM - AM6424	12/16/22	05/28/24	4.21%	2,562.92	2,481.23	2,773.89	5,336.81
30336BAA5	FRESB - 2024-SB113	04/25/24	05/28/24	5.22%	96.19	95.38	14,641.18	14,737.37
35564CAA5	FHLM - SLST 2018	01/11/24	05/28/24	5.37%	8,744.20	8,392.04	2,867.63	11,611.83

Municipal bonds

127145LE8	Cache County SD	05/27/21	06/15/24	300%	3,250,000.00	3,250,000.00	297,375.00	3,547,375.00
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U.S. Treasury

91282CEG2	U.S. Treasury	06/13/22	04/01/24	2.25%	\$ 2,000,000.00	\$ 2,000,000.00	\$ 80,901.64	\$ 2,080,901.64
91282CBV2	U.S. Treasury	12/07/21	04/15/24	0.38%	2,000,000.00	2,000,000.00	17,657.97	2,017,657.97
9128286R6	U.S. Treasury	03/21/22	04/30/24	2.25%	2,000,000.00	2,000,000.00	94,972.38	2,094,972.38
91282CCC3	US Treasury	12/07/21	05/15/24	2.50%	2,000,000.00	2,000,000.00	12,196.13	2,012,196.13
912828WJ5	US Treasury	10/21/22	05/15/24	2.50%	1,750,000.00	1,750,000.00	68,597.15	1,818,597.15

Maturities Total \$ 44,644,836.34 \$ 44,716,000.79 \$ 3,705,405.84 \$ 48,378,122.62

Calls

CUSIP	Issuer	Settled	Call Date	Yield	Par value	Book value	Interest	Total
3130AW6F2	Federal Home Loan Bank	05/22/23	05/22/24	5.00%	\$ 1,500,000.00	\$ 1,500,000.00	\$ 37,500.00	\$ 1,537,500.00

Calls Total \$ 1,500,000.00 \$ 1,500,000.00 \$ 37,500.00 \$ 1,537,500.00

Purchases

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
Certificate of deposit							
61768E3D3	Morgan Stanley Private Bank	05/08/24	05/08/28	4.70%	11/08/24	\$ 244,000.00	\$ 244,000.00
38150VUH0	Goldman Sachs Bank	05/21/24	05/21/29	4.50%	11/21/24	244,000.00	244,000.00
93883MAZ1	Washington Financial Bank	05/22/24	05/22/29	4.45%	11/22/24	244,000.00	244,000.00

Corporate notes

478160CU6	Johnson & Johnson	06/03/24	06/01/29	4.84%	12/01/24	\$ 2,750,000.00	\$ 2,744,582.50
06376A5W6	Bank of Montreal	06/18/24	06/18/29	5.75%	12/18/24	3,500,000.00	3,500,000.00
478160CU6	Johnson & Johnson	06/13/24	06/01/29	4.80%	12/01/24	3,000,000.00	3,044,268.57

Federal agency

3130B0PR4	Federal Home Loan Bank	04/02/24	10/02/28	5.00%	10/02/24	\$ 2,000,000.00	\$ 2,000,000.00
3130B0EE5	Federal Home Loan Bank	04/23/24	03/06/28	5.00%	09/06/24	2,000,000.00	1,985,960.00
3130B14U8	Federal Home Loan Bank	04/30/24	04/27/29	5.25%	10/27/24	1,500,000.00	1,500,000.00
3130B0NE5	Federal Home Loan Bank	05/01/24	07/06/28	4.97%	07/06/24	2,400,000.00	2,376,000.00

City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

June 30, 2024

Purchases cont.

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
3133EP3D5	Federal Farm Credit Banks	05/02/24	11/22/27	5.56%	05/22/24	2,500,000.00	2,497,000.00
3134GX3H5	Federal Home Loan Mtg Corp	05/15/24	09/29/27	5.05%	09/29/24	2,500,000.00	2,477,000.00
3130B1DC8	Federal Home Loan Bank	05/16/24	11/09/26	5.25%	11/09/24	1,500,000.00	1,500,000.00
3134GWS23	Federal Home Loan Mtg Corp	05/17/24	09/14/28	4.61%	09/14/24	2,000,000.00	1,719,760.00
3135GASP7	Federal National Mortgage Assc	05/28/24	05/22/29	4.82%	11/22/24	2,000,000.00	1,983,000.00
Mortgage passthrough securities							
30336BAA5	FRESB SB113	04/25/24	12/25/28	5.22%	05/25/24	\$ 3,500,000.00	\$ 3,470,705.00
30337MAA0	FRESB SB114 Mtge	06/27/24	03/25/29	4.99%	07/25/24	3,000,000.00	3,014,856.00
Municipal bonds							
79730CJK1	San Diego Public Fin Wtr Rev	04/22/24	08/01/26	5.04%	08/01/24	\$ 2,000,000.00	\$ 1,866,860.00
593201A30	City of Miami Beach	05/01/24	05/01/29	4.73%	11/01/24	\$ 1,400,000.00	\$ 1,396,640.00
91412HGF4	University of California	05/13/24	05/15/27	4.78%	05/15/24	\$ 1,000,000.00	\$ 904,080.00
91412HGF4	University of California	05/20/24	05/15/27	4.71%	11/15/24	\$ 2,500,000.00	\$ 2,266,050.00
769036BR4	City of Riverside	06/03/24	06/01/29	4.90%	12/01/24	\$ 1,375,000.00	\$ 1,250,136.25
U.S. Treasury							
91282CKJ9	US Treasury	05/06/24	04/15/27	4.71%	10/15/24	\$ 3,000,000.00	\$ 2,982,773.44
91282CFB2	US Treasury	05/07/24	07/31/27	4.60%	07/31/24	\$ 1,500,000.00	\$ 1,417,441.41
Purchases total						\$ 47,657,000.00	\$ 46,629,113.17

City of Carlsbad investment portfolio
Fund equity in pooled investments

Exhibit 6

June 30, 2024

Cash balance by fund:

General	189,968,625.16
Special revenue	34,769,226.61
Capital projects:	
Infrastructure replacement	114,921,780.69
Special districts	112,746,747.64
General capital construction	46,140,273.89
Public facilities fees	33,575,031.44
Traffic impact fees	18,755,894.03
Gas tax	19,205,374.43
Park development	15,622,197.37
Technology investment	14,566,688.19
TransNet taxes	4,916,380.53
Drainage fees	5,174,320.23
Capital project subtotal	385,624,688.44
Enterprise:	
Carlsbad Municipal Water District	144,833,809.08
Sewer fund	50,626,190.04
Storm water	4,993,907.01
Solid waste	4,154,181.84
Golf course	7,352,951.35
Enterprise subtotal	211,961,039.32
Internal service	76,144,108.81
Fiduciary	2,397,273.71
 Total general ledger balance **	 900,864,962.00
Reconciling adjustments (1)	(3,808,920.00)
Total treasurer's investment portfolio at amortized cost	897,056,042.33

**Figures based on best estimate at the time report run on 07/12/2024.

(1) The reconciling adjustments consist of differences between the general ledger which is prepared on an accrual basis and the treasurer's report which is prepared on a cash basis.

City of Carlsbad investment portfolio
Security ratings and outlooks

Exhibit 7

June 30, 2024

All investments were in compliance with the city's investment policy at the time of purchase.

Issuer	Moody's	S&P	Fitch	Outlook
Corporate notes				
Amazon.com Inc	A1	AA	AA-	Stable/Stable/Stable
Apple Inc	AAA	AA+		Stable/Stable/
Bank of America	A1	A-	AA-	Positive/ /Stable
Bank of Montreal	A2	N/A	AA-	Stable
Bank of New York Mellon Corp	A1	A	AA-	Neg/Stable/Stable
BLC Community Bank	A2	N/A	AA-	Stable
CME Group Inc	AA3	AA-	AA-	Stable/Stable/Stable
Colgate-Palmolive	AA3	A+		Stable/Negative
Florida Power and Light Co	AA2	A+	AA-	Stable/Stable/Stable
Johnson & Johnson	AAA	AAA		Stable/Neg
JP Morgan Chase Bank	A1	A-	AA-	Stable/Stable/Stable
MassMutual Global Funding	AA3	AA+	AA+	/Stable/
Merck & Co*	A1	A+		Positive/Stable/
Met Life Global	AA3	AA-	AA-	/Stable/
Microsoft	AAA	AAA		Stable/Stable/
New York Life	AAA	AA+	AAA	Stable
Nike Inc.	A1	AA-		Stable/Stable/
Novartis Capital Corp	AA3	AA-	AA-	Positive/Stable
Pacific Life Global	AA3	AA-	AA-	Stable
Private Export Funding	AAA	N/A	AA+	Stable
Procter & Gamble	AA3	AA-		Stable/Stable/
Roche Holdings Inc	AA2	AA	AA	Stable
Royal Bank of Canada	A1	A	AA-	Stable/Stable/Stable
Seattle Children's Hospital	AA2	N/A	AA	Stable
Visa Inc.	AA3	AA-		Stable/Stable/
Wal-Mart	AA2	AA	AA	Stable/Stable/Stable

Ratings of corporate notes must be AA or better by one and A or better by another of the three: Moody's, S&P, or Fitch.

Mortgage passthrough securities

FAMCA	AAA	AA+		Stable
FHLMC	AAA	AA+		Stable
FNMA	AAA	AA+		Stable
FRESB	AAA	AA+		Stable

Ratings of mortgage passthrough securities must be AA or better by one of the three: Moody's, S&P, or Fitch.

Municipal Bonds

Ada/Canyon Cty SD	AA1	AA+		Stable
Alief Independent School Dist	AAA	AAA		
Amarillo Independent SD	AAA	AAA		Stable
Bay Area Water & Utl	AA3	AA-		
California State University	AA2	AA-		
City of Riverside	N/A	AA	AA-	Stable

City of Carlsbad investment portfolio
Security ratings and outlooks

June 30, 2024

All investments were in compliance with the city's investment policy at the time of purchase.

Issuer	Moody's	S&P	Fitch	Outlook
City of Anaheim	N/A	AA+	AA+	
Contra Costa Cmty College	AA1	AA+		
County of Multnomah OR	AAA	AAA		Stable
Fremont CA Unified	AA2	AA-		Stable
Honolulu Wastewater	AA3	N/A	AA-	Stable
Los Angeles Cmty Clg Dist	AAA	AA+		
Los Angeles Unified SD	AA2	AA-		Stable
Los Angeles Water & Power	AA2	AA-		Stable
Marion County SD	AA1	N/A	AA+	Stable
Mason/Kitsap Cty SD	AAA	N/A	AA+	Stable
Miami Beach FL	AA2	AA+		
Minnesota State	AAA	AAA	AAA	Stable
Oregon State Dept Admin Serv	AA2	AA		
Oregon State Dept of Transp	AA1	AAA	AA+	Stable
Pajaro Valley Unified SD	AA3	A+		
Portland Cmty College	AA1	N/A	AA+	Stable
San Bernardino CCD	AA1	AA		Stable
San Diego Cmty College	AA1	AAA		Stable
San Diego Public Finance	AA2	N/A	AA	Stable
San Francisco City Pub Utl ¹	N/A	N/A		
San Jose Evergreen CC	AA1	AA+		Stable
San Jose Redevelopment	N/A	AA	AA+	Stable
San Ramon Valley USD	AA1	AA+		
Santa Barbara CA USD	AA1	AA		Stable
Santa Monica Cmty College	AA2	AA+		
Solano County Cmty College	AA2	AA		Stable
Southern CA Public Power	N/A	AA-	AA-	Stable
State of California	AA2	AA-	AA	Stable/positive/stable
State of Connecticut	AA3	AA-		
State of Hawaii	AA2	AA+	AA	Stable
Texas Tech University	AA1	AA+		Stable
University of California	AA2	AA	AA	Stable

Ratings of municipal bonds must be AA or better by one and A or better by another of the three: Moody's, S&P, or Fitch.

¹San Francisco City Public Utility refunded and is collateralized by State and Local Government Series Securities (SLGS). The security is backed by the US Treasury and is therefore not rated.

*Investments with subsequent changes in credit rating

Corporate notes	Moody's	S&P	Fitch	Maturity date	Purchased	Book value
Merck & Co	A1	A+	N/R	02/24/26	04/12/21	\$ 1,494,689
						<u>\$ 1,494,689</u>

The city's Investment Policy allows the City Treasurer to determine the course of action that would correct exceptions to the policy. The current exception is paying interest at the required times. The principal of the investment is considered secure. It is the intent of the City Treasurer to hold the asset in the portfolio until maturity unless events indicate they should be sold.

City of Carlsbad investment portfolio
Portfolio allocation at amortized cost by issuer

Exhibit 8

June 30, 2024

Issuer	Amortized cost	Portfolio allocation
Corporate notes		
Amazon.com Inc.	4,505,760.19	0.50%
Apple Inc.	1,515,780.39	0.17%
Bank of America	10,995,649.67	1.23%
Bank of Montreal	2,000,000.00	0.22%
Bank of New York Mellon	3,057,642.23	0.34%
BLC Community Bank (Bank of Montreal)	5,950,000.00	0.66%
CME Group	2,812,623.32	0.31%
Colgate-Palmolive	1,965,853.46	0.22%
Florida Power & Light	3,715,515.20	0.41%
Johnson & Johnson	17,220,867.88	1.92%
JP Morgan Chase Bank	14,800,000.00	1.65%
Massmutual Global	3,764,188.48	0.42%
Merck & Co	1,495,160.53	0.17%
Met Life Global	5,126,891.81	0.57%
Microsoft	4,123,433.59	0.46%
New York Life	3,379,210.18	0.38%
Nike Inc.	2,906,293.91	0.32%
Novartis Capital Corp	3,318,991.75	0.37%
Pacific Life Global	1,005,896.61	0.11%
Private Export Funding Corp.	2,500,579.86	0.28%
Procter & Gamble	10,850,717.78	1.21%
Roche Holdings Inc	4,827,825.78	0.54%
Royal Bank of Canada	6,997,154.28	0.78%
Seattle Children's Hospital	890,806.17	0.10%
Visa Inc.	1,287,773.22	0.14%
Wal-Mart	2,006,361.30	0.22%
Mortgage passthrough securities		
FAMCA	3,541,415.92	0.39%
FHLMC	26,650,292.48	2.97%
FNMA	15,698,633.31	1.75%
FRESB	30,665,653.29	3.42%
Federal agencies		
Federal Agricultural Mortgage Corp.	23,147,909.37	2.58%
Federal Farm Credit Bank	79,313,983.35	8.84%
Federal Home Loan Bank	145,969,403.82	16.27%
Federal Home Loan Mortgage Corp.	63,322,485.97	7.06%
Federal National Mortgage Assoc.	35,898,869.86	4.00%
Tennessee Valley Authority	1,005,402.97	0.11%

City of Carlsbad investment portfolio
Portfolio allocation at amortized cost by issuer

June 30, 2024

Issuer	Amortized cost	Portfolio allocation
Municipal Bonds		
Ada/Canyon Cty SD	1,508,504.95	0.17%
Alief Independent SD	1,971,385.41	0.22%
Amarillo Independent SD	1,793,671.25	0.20%
Bay Area Water	1,199,652.83	0.13%
California State University	2,233,414.39	0.25%
City of Anaheim	1,519,440.96	0.17%
City of Riverside	1,251,941.84	0.14%
Contra Costa Cmty College	928,634.84	0.10%
County of Multnomah OR	2,001,328.57	0.22%
Fremont CA Unified	1,850,617.92	0.21%
Honolulu Wastewater	1,419,682.31	0.16%
Los Angeles Cmty College	2,046,298.05	0.23%
Los Angeles Unified SD	3,670,629.82	0.41%
Los Angeles Water & Power	1,558,045.99	0.17%
Marion County SD	1,882,274.72	0.21%
Mason/Kitsap Cty SD	640,000.00	0.07%
Miami Beach FL	1,396,748.27	0.16%
Minnesota State	1,215,000.00	0.14%
Oregon State Dept of Admin Services	954,681.74	0.11%
Oregon State Dept of Transp	3,235,446.19	0.36%
Pajaro Valley USD	1,176,258.06	0.13%
Portland CC	1,101,225.26	0.12%
San Bernardino CCD	1,380,537.08	0.15%
San Diego Cmty College	5,153,839.39	0.57%
San Diego Public Finance	1,877,751.79	0.21%
San Francisco City Pub Utl	1,000,414.80	0.11%
San Jose Evergreen CC	770,945.40	0.09%
San Jose Redevelopment	4,042,122.43	0.45%
San Ramon Valley SD	885,578.30	0.10%
Santa Barbara CA USD	948,610.34	0.11%
Santa Monica Cmty College	505,062.68	0.06%
Solano County Cmty College	1,797,389.91	0.20%
Southern CA Public Power	2,453,306.78	0.27%
State of California	15,389,620.04	1.72%
State of Connecticut	2,854,927.37	0.32%
State of Hawaii	8,002,348.00	0.89%
Texas Tech University	5,739,387.13	0.64%
University of California	9,429,909.67	1.05%

City of Carlsbad investment portfolio
 Portfolio allocation at amortized cost by issuer

June 30, 2024

Issuer	Amortized cost	Portfolio allocation
<hr/>		
<i>Other</i>		
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Supranational	21,899,868.59	2.44%
US Treasury	54,830,175.39	6.11%
Certificate of deposits	22,476,967.59	2.51%
Cash	150,827,368.35	16.81%
<hr/>		
Total portfolio amortized cost	897,056,042.33	100.00%
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Policy:

Corporate notes, non-agency mortgage passthrough securities, municipal bonds, and supranational securities may have no more than 5% invested with a single issuer.

Certificates of deposit may have no more than 10% invested with any single issuer.

Federal agencies, U.S. Treasury and agency-backed mortgage passthrough securities do not have issuer limitations.

City of Carlsbad investment portfolio

Investment detail

June 30, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Federal investments							
3133ELQ56	03/21/22	07/02/24	Federal Farm Credit Banks	2,005,000.00	1.980%	26,063.33	2,031,063.33
3130AP7D1	12/10/21	07/19/24	Federal Home Loan Banks	2,000,000.00	0.878%	23,475.00	2,023,475.00
3133ELX66	07/24/20	07/22/24	Federal Farm Credit Banks	2,000,000.00	0.440%	35,151.11	2,035,151.11
3133EKVV4	08/08/19	07/26/24	Federal Farm Credit Banks	2,500,000.00	1.582%	229,708.33	2,729,708.33
3134GW4X1	10/29/20	07/29/24	Federal Home Loan Mortgage Corp	3,000,000.00	0.375%	42,187.50	3,042,187.50
3130AGWK7	11/10/20	08/15/24	Federal Home Loan Banks	4,000,000.00	1.500%	255,833.33	4,255,833.33
3133EKQA7	08/30/19	09/10/24	Federal Farm Credit Banks	2,500,000.00	1.480%	261,444.44	2,761,444.44
880591ER9	02/19/21	09/15/24	Tennessee Valley Authority	1,000,000.00	0.300%	102,701.39	1,102,701.39
3134GWVM5	10/22/20	09/30/24	Federal Home Loan Mortgage Corp	3,000,000.00	0.350%	41,358.33	3,041,358.33
3134GWVM5	11/06/20	09/30/24	Federal Home Loan Mortgage Corp	1,170,000.00	0.350%	15,970.50	1,185,970.50
3130ALRK2	03/30/21	09/30/24	Federal Home Loan Banks	1,500,000.00	0.520%	27,300.00	1,527,300.00
31422XMV1	10/04/21	10/04/24	Federal Agricultural Mortgage Corp	2,000,000.00	0.500%	30,000.00	2,030,000.00
3133EK3B0	11/25/20	10/16/24	Federal Farm Credit Banks	1,400,000.00	0.280%	81,725.00	1,481,725.00
31422BPG9	11/15/19	11/01/24	Federal Agricultural Mortgage Corp	2,000,000.00	1.793%	177,607.78	2,177,607.78
3133EC2D5	07/10/20	11/13/24	Federal Farm Credit Banks	1,621,000.00	0.390%	159,055.22	1,780,055.22
3135G06E8	11/18/20	11/18/24	Federal National Mortgage Assoc	2,000,000.00	0.420%	33,600.00	2,033,600.00
3130APVZ5	12/02/21	12/02/24	Federal Home Loan Banks	1,900,000.00	1.050%	59,850.00	1,959,850.00
3130AQ5L3	12/16/21	12/16/24	Federal Home Loan Banks	2,000,000.00	0.500%	70,000.00	2,070,000.00
3130AKLQ7	12/30/20	12/30/24	Federal Home Loan Banks	4,000,000.00	0.310%	49,600.00	4,049,600.00
3134GXYX6	07/07/22	12/30/24	Federal Home Loan Mortgage Corp	2,500,000.00	3.348%	207,746.53	2,707,746.53
3130AJSF7	05/27/21	01/08/25	Federal Home Loan Banks	2,000,000.00	0.648%	46,980.56	2,046,980.56
3130ASLP2	07/21/22	01/21/25	Federal Home Loan Banks	2,000,000.00	3.500%	175,000.00	2,175,000.00
3130AN7L8	07/28/21	01/28/25	Federal Home Loan Banks	1,750,000.00	0.520%	31,850.00	1,781,850.00
3133EMPV8	02/03/21	02/03/25	Federal Farm Credit Banks	2,000,000.00	0.320%	25,600.00	2,025,600.00
3134GWMN3	08/27/20	02/27/25	Federal Home Loan Mortgage Corp	2,500,000.00	0.520%	58,500.00	2,558,500.00
3130A4CH3	04/09/20	03/14/25	Federal Home Loan Banks	3,000,000.00	0.778%	351,302.08	3,351,302.08
3130A4CH3	02/18/21	03/14/25	Federal Home Loan Banks	1,500,000.00	0.389%	145,072.92	1,645,072.92
3134GWP26	06/07/21	03/28/25	Federal Home Loan Mortgage Corp	1,000,000.00	0.540%	19,041.67	1,019,041.67
3130AMRJ3	06/28/21	03/28/25	Federal Home Loan Banks	3,120,000.00	0.500%	70,200.00	3,190,200.00
3133EMWH1	04/21/21	04/21/25	Federal Farm Credit Banks	1,500,000.00	0.710%	42,600.00	1,542,600.00
3130APA39	09/30/22	04/21/25	Federal Home Loan Banks	1,055,000.00	4.287%	17,813.67	1,072,813.67
3135GAA43	12/23/20	04/23/25	Federal National Mortgage Assoc	3,000,000.00	0.500%	65,000.00	3,065,000.00
3134GWYW0	10/30/20	04/30/25	Federal Home Loan Mortgage Corp	2,000,000.00	0.500%	45,111.12	2,045,111.12
3133ELC28	06/03/20	05/27/25	Federal Farm Credit Banks	3,500,000.00	0.734%	127,324.17	3,627,324.17
3134GVB31	06/03/20	05/28/25	Federal Home Loan Mortgage Corp	2,000,000.00	0.750%	74,791.66	2,074,791.66
3135GA5S6	12/16/20	06/16/25	Federal National Mortgage Assoc	2,000,000.00	0.450%	40,500.00	2,040,500.00
3135G04Z3	01/11/21	06/17/25	Federal National Mortgage Assoc	3,000,000.00	0.389%	66,500.00	3,066,500.00
3135G04Z3	05/20/21	06/17/25	Federal National Mortgage Assoc	2,000,000.00	0.600%	40,750.00	2,040,750.00
3136G4XZ1	07/01/20	06/30/25	Federal National Mortgage Assoc	2,500,000.00	0.740%	92,448.61	2,592,448.61
3133EMMP4	01/15/21	07/14/25	Federal Farm Credit Banks	2,225,000.00	0.457%	39,024.65	2,264,024.65
3137EAEU9	09/14/20	07/21/25	Federal Home Loan Mortgage Corp	1,500,000.00	0.380%	27,296.87	1,527,296.87
3133ELZ80	07/29/20	07/29/25	Federal Farm Credit Banks	3,000,000.00	0.580%	87,000.00	3,087,000.00
3133EMFC1	10/29/20	07/29/25	Federal Farm Credit Banks	3,000,000.00	0.530%	75,525.00	3,075,525.00
3134GWXM3	10/01/20	07/30/25	Federal Home Loan Mortgage Corp	2,000,000.00	0.510%	49,271.67	2,049,271.67
3133EL3P7	08/12/20	08/12/25	Federal Farm Credit Banks	3,500,000.00	0.530%	92,750.00	3,592,750.00
3136G4C43	08/14/20	08/14/25	Federal National Mortgage Assoc	2,000,000.00	0.650%	65,000.00	2,065,000.00
3136G4H71	11/06/20	08/18/25	Federal National Mortgage Assoc	2,000,000.00	0.500%	47,833.33	2,047,833.33
3136G4K77	08/21/20	08/21/25	Federal National Mortgage Assoc	2,000,000.00	0.450%	45,000.00	2,045,000.00
3136G4X24	08/31/20	08/29/25	Federal National Mortgage Assoc	3,000,000.00	0.600%	89,900.00	3,089,900.00
3137EAXE3	10/22/20	09/23/25	Federal Home Loan Mortgage Corp	4,000,000.00	0.430%	73,791.67	4,073,791.67
3137EAXE3	12/28/20	09/23/25	Federal Home Loan Mortgage Corp	3,000,000.00	0.400%	53,281.25	3,053,281.25
3133EMCP5	10/14/20	10/14/25	Federal Farm Credit Banks	1,500,000.00	0.520%	39,000.00	1,539,000.00
3132XOCK5	11/01/22	10/14/25	Federal Agricultural Mortgage Corp	1,650,000.00	2.153%	184,415.59	1,834,415.59

City of Carlsbad investment portfolio

Investment detail

June 30, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
3134GWXX9	10/15/20	10/15/25	Federal Home Loan Mortgage Corp	3,000,000.00	0.550%	82,500.00	3,082,500.00
3135G06A6	12/11/20	10/20/25	Federal National Mortgage Assoc	2,410,000.00	0.590%	67,909.78	2,477,909.78
3133EMDZ2	12/09/20	10/21/25	Federal Farm Credit Banks	3,000,000.00	0.560%	75,920.00	3,075,920.00
3133EMFR8	11/03/20	11/03/25	Federal Farm Credit Banks	4,500,000.00	0.540%	121,500.00	4,621,500.00
3135G06G3	12/29/20	11/07/25	Federal National Mortgage Assoc	3,000,000.00	0.410%	72,833.34	3,072,833.34
3130ALFF6	03/10/21	12/10/25	Federal Home Loan Banks	1,750,000.00	0.650%	54,031.25	1,804,031.25
31422XAT9	03/02/21	12/15/25	Federal Agricultural Mortgage Corp	3,000,000.00	0.520%	74,663.33	3,074,663.33
3134GXFV1	12/17/20	12/17/25	Federal Home Loan Mortgage Corp	5,000,000.00	0.625%	156,250.00	5,156,250.00
3134GXHD9	03/24/21	12/23/25	Federal Home Loan Mortgage Corp	1,500,000.00	0.700%	49,845.83	1,549,845.83
3135G06Q1	12/30/20	12/30/25	Federal National Mortgage Assoc	2,500,000.00	0.474%	80,000.00	2,580,000.00
3130AKMZ6	01/14/21	01/14/26	Federal Home Loan Banks	4,000,000.00	0.510%	102,000.00	4,102,000.00
3130AKMZ6	01/14/21	01/14/26	Federal Home Loan Banks	1,750,000.00	0.540%	44,625.00	1,794,625.00
31422B6K1	01/25/21	01/15/26	Federal Agricultural Mortgage Corp	1,500,000.00	0.480%	35,800.00	1,535,800.00
3130AKN69	01/28/21	01/28/26	Federal Home Loan Banks	3,000,000.00	0.500%	75,000.00	3,075,000.00
3130AKRF5	02/09/21	02/09/26	Federal Home Loan Banks	2,050,000.00	0.350%	14,575.00	2,064,575.00
3130AKVR4	02/12/21	02/12/26	Federal Home Loan Banks	2,000,000.00	0.550%	55,000.00	2,055,000.00
3130AKVV5	02/18/21	02/18/26	Federal Home Loan Banks	4,000,000.00	0.500%	100,000.00	4,100,000.00
3133EMSH6	03/03/21	03/03/26	Federal Farm Credit Banks	674,000.00	0.790%	26,623.00	700,623.00
3133EMSU7	03/09/21	03/09/26	Federal Farm Credit Banks	3,500,000.00	0.800%	140,000.00	3,640,000.00
3130ALH56	03/18/21	03/18/26	Federal Home Loan Banks	3,000,000.00	0.750%	112,500.00	3,112,500.00
3130ALUQ5	03/30/21	03/30/26	Federal Home Loan Banks	1,500,000.00	0.300%	22,500.00	1,522,500.00
31422XCX8	04/20/21	04/20/26	Federal Agricultural Mortgage Corp	2,000,000.00	1.000%	100,000.00	2,100,000.00
3130ALVB7	04/21/21	04/21/26	Federal Home Loan Banks	2,000,000.00	0.915%	90,000.00	2,090,000.00
3130AM4L3	04/29/21	04/29/26	Federal Home Loan Banks	4,000,000.00	0.500%	100,000.00	4,100,000.00
31422XFP2	05/04/21	05/04/26	Federal Agricultural Mortgage Corp	2,500,000.00	0.950%	118,750.00	2,618,750.00
3130AMCL4	09/30/22	05/19/26	Federal Home Loan Banks	1,100,000.00	4.300%	40,797.17	1,140,797.17
3130AMHN5	05/26/21	05/26/26	Federal Home Loan Banks	2,500,000.00	0.500%	112,500.00	2,612,500.00
31422XGL0	05/27/21	05/27/26	Federal Agricultural Mortgage Corp	2,000,000.00	0.920%	92,000.00	2,092,000.00
3130AMQK1	06/16/21	06/16/26	Federal Home Loan Banks	2,000,000.00	0.500%	94,000.00	2,094,000.00
3130AMQK1	06/16/21	06/16/26	Federal Home Loan Banks	2,500,000.00	0.500%	117,500.00	2,617,500.00
3133EML67	06/22/21	06/22/26	Federal Farm Credit Banks	2,000,000.00	0.870%	80,000.00	2,080,000.00
3130AMTW2	06/30/21	06/30/26	Federal Home Loan Banks	4,500,000.00	0.500%	186,750.00	4,686,750.00
3130AMWN8	06/30/21	06/30/26	Federal Home Loan Banks	2,000,000.00	0.550%	88,000.00	2,088,000.00
3130ANCH1	07/27/21	07/27/26	Federal Home Loan Banks	2,500,000.00	1.000%	125,000.00	2,625,000.00
3130ANL57	08/25/21	08/25/26	Federal Home Loan Banks	3,500,000.00	0.906%	153,125.00	3,653,125.00
31422XLY6	09/01/21	09/01/26	Federal Agricultural Mortgage Corp	4,000,000.00	0.900%	180,000.00	4,180,000.00
3133EM3T7	09/07/21	09/01/26	Federal Farm Credit Banks	3,000,000.00	0.885%	130,065.00	3,130,065.00
31422XNB4	09/30/21	09/30/26	Federal Agricultural Mortgage Corp	2,500,000.00	0.860%	107,798.60	2,607,798.60
3133ENAF7	12/27/21	10/07/26	Federal Farm Credit Banks	2,500,000.00	1.268%	119,444.44	2,619,444.44
3133ENT26	10/19/22	10/19/26	Federal Farm Credit Banks	3,000,000.00	5.300%	636,000.00	3,636,000.00
3134GW6C5	02/15/22	10/28/26	Federal Home Loan Mortgage Corp	4,500,000.00	1.958%	169,300.00	4,669,300.00
3130APJ29	02/25/22	10/28/26	Federal Home Loan Banks	3,500,000.00	1.979%	210,000.00	3,710,000.00
3130B1DC8	05/16/24	11/09/26	Federal Home Loan Banks	1,500,000.00	5.249%	196,875.00	1,696,875.00
3133ENFP0	12/09/21	11/30/26	Federal Farm Credit Banks	2,950,000.00	1.408%	167,958.25	3,117,958.25
3130AQF65	01/14/22	12/21/26	Federal Home Loan Banks	1,550,000.00	1.483%	95,637.15	1,645,637.15
3130AQMX8	02/07/22	01/26/27	Federal Home Loan Banks	1,250,000.00	1.331%	112,070.31	1,362,070.31
3130AQJR5	12/14/23	01/27/27	Federal Home Loan Banks	2,000,000.00	4.631%	105,000.00	2,105,000.00
3130AQLD3	03/29/22	01/28/27	Federal Home Loan Banks	2,500,000.00	2.776%	211,336.81	2,711,336.81
3130ARAB7	06/24/22	03/25/27	Federal Home Loan Banks	2,000,000.00	3.420%	260,791.67	2,260,791.67
3134GXNM2	02/20/24	03/25/27	Federal Home Loan Mortgage Corp	2,000,000.00	4.419%	186,700.00	2,186,700.00
3130ARL58	06/10/22	04/26/27	Federal Home Loan Banks	4,000,000.00	3.198%	589,235.56	4,589,235.56
3133EPJP1	05/12/23	05/12/27	Federal Farm Credit Banks	2,000,000.00	3.620%	290,000.00	2,290,000.00
3130ASCT4	06/28/22	06/28/27	Federal Home Loan Banks	2,500,000.00	3.250%	406,250.00	2,906,250.00
3130ASF46	06/30/22	06/30/27	Federal Home Loan Banks	2,500,000.00	3.500%	437,500.00	2,937,500.00

City of Carlsbad investment portfolio

Investment detail

June 30, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
3130ASLA5	09/13/23	07/26/27	Federal Home Loan Banks	1,915,000.00	4.850%	344,700.00	2,259,700.00
3133ENL99	09/30/22	09/15/27	Federal Farm Credit Banks	2,500,000.00	3.983%	418,359.37	2,918,359.37
3133EPXB6	09/28/23	09/28/27	Federal Farm Credit Banks	2,000,000.00	4.625%	370,000.00	2,370,000.00
3134GX3H5	05/15/24	09/29/27	Federal Home Loan Mortgage Corp	2,500,000.00	5.048%	415,625.00	2,915,625.00
3133EP3D5	04/30/24	11/22/27	Federal Farm Credit Banks	2,500,000.00	5.558%	517,500.00	3,017,500.00
3133EPJ30	12/06/23	12/06/27	Federal Farm Credit Banks	2,000,000.00	5.380%	430,400.00	2,430,400.00
3133EN3S7	12/07/22	12/07/27	Federal Farm Credit Banks	3,000,000.00	3.780%	562,500.00	3,562,500.00
3134H1GH0	10/30/23	12/30/27	Federal Home Loan Mortgage Corp	1,500,000.00	5.201%	312,500.00	1,812,500.00
3130AYPJ9	01/29/24	01/26/28	Federal Home Loan Banks	2,000,000.00	4.500%	359,500.00	2,359,500.00
3130AUQA5	02/02/23	02/02/28	Federal Home Loan Banks	2,500,000.00	4.050%	506,250.00	3,006,250.00
3130AYVC7	02/13/24	02/09/28	Federal Farm Credit Banks	2,000,000.00	4.625%	370,000.00	2,370,000.00
3130AUW59	03/08/23	02/17/28	Federal Home Loan Banks	1,500,000.00	4.240%	318,000.00	1,818,000.00
3133EP3Z6	02/28/24	02/28/28	Federal Farm Credit Banks	2,000,000.00	4.375%	350,000.00	2,350,000.00
3130B0EE5	04/23/24	03/06/28	Federal Home Loan Banks	2,000,000.00	5.000%	384,000.00	2,384,000.00
313382GT4	11/15/23	03/10/28	Federal Home Loan Banks	2,500,000.00	4.720%	337,500.00	2,837,500.00
3133EPDC6	03/13/23	03/13/28	Federal Farm Credit Banks	1,000,000.00	5.350%	267,500.00	1,267,500.00
3133EPFU4	04/12/23	04/12/28	Federal Farm Credit Banks	2,500,000.00	3.530%	437,500.00	2,937,500.00
3130AVK50	04/24/23	04/24/28	Federal Home Loan Banks	1,500,000.00	5.000%	375,000.00	1,875,000.00
3130ALZW7	12/14/23	04/28/28	Federal Home Loan Banks	1,000,000.00	4.362%	76,500.00	1,076,500.00
3130AVZQ8	04/12/23	05/17/28	Federal Home Loan Banks	1,880,000.00	5.150%	460,600.00	2,340,600.00
3133EPMA0	06/09/23	06/09/28	Federal Farm Credit Banks	1,500,000.00	4.690%	351,750.00	1,851,750.00
3130B0NE5	05/01/24	07/06/28	Federal Home Loan Banks	2,400,000.00	4.969%	478,773.33	2,878,773.33
3134H1GL1	10/18/23	07/18/28	Federal Home Loan Mortgage Corp	2,500,000.00	5.002%	593,750.00	3,093,750.00
3134H1GL1	11/01/23	07/18/28	Federal Home Loan Mortgage Corp	2,000,000.00	5.210%	475,000.00	2,475,000.00
3134GYXX5	09/12/23	07/26/28	Federal Home Loan Mortgage Corp	1,750,000.00	5.650%	494,375.00	2,244,375.00
3133EPTA3	09/07/23	08/14/28	Federal Farm Credit Banks	1,000,000.00	5.108%	255,500.00	1,255,500.00
3134H1BP7	10/13/23	09/11/28	Federal Home Loan Mortgage Corp	1,000,000.00	5.148%	252,500.00	1,252,500.00
3134H1BP7	09/11/23	09/11/28	Federal Home Loan Mortgage Corp	3,000,000.00	5.245%	757,500.00	3,757,500.00
3134GWS23	05/17/24	09/14/28	Federal Home Loan Mortgage Corp	2,000,000.00	4.610%	90,000.00	2,090,000.00
3134H1CM3	11/17/23	09/25/28	Federal Home Loan Mortgage Corp	1,500,000.00	4.843%	327,750.00	1,827,750.00
3130B0PR4	04/02/24	10/02/28	Federal Home Loan Banks	2,000,000.00	5.000%	450,000.00	2,450,000.00
3130AP6J9	12/06/23	10/05/28	Federal Home Loan Banks	2,000,000.00	4.300%	135,000.00	2,135,000.00
3130APSR7	01/08/24	11/16/28	Federal Farm Credit Banks	1,500,000.00	4.107%	127,500.00	1,627,500.00
3130APTC9	01/19/24	11/22/28	Federal Home Loan Banks	1,000,000.00	4.193%	90,000.00	1,090,000.00
3130B0M89	03/28/24	12/28/28	Federal Home Loan Banks	3,000,000.00	4.402%	570,000.00	3,570,000.00
3130AYE51	01/08/24	01/02/29	Federal Home Loan Banks	2,500,000.00	4.947%	623,958.34	3,123,958.34
3130AYCV6	01/11/24	01/03/29	Federal Home Loan Banks	2,700,000.00	5.000%	675,000.00	3,375,000.00
3135GAM81	02/01/24	01/17/29	Federal National Mortgage Assoc	2,500,000.00	5.000%	624,305.56	3,124,305.56
3130AYJR8	02/20/24	01/17/29	Federal Home Loan Banks	2,000,000.00	4.714%	460,000.00	2,460,000.00
3130AYRG3	02/05/24	02/05/29	Federal Home Loan Banks	2,500,000.00	4.400%	550,000.00	3,050,000.00
3130AYWQ5	02/20/24	02/07/29	Federal Home Loan Banks	2,500,000.00	4.572%	568,118.05	3,068,118.05
3134H1SK0	02/09/24	02/09/29	Federal Home Loan Mortgage Corp	2,500,000.00	4.375%	546,875.00	3,046,875.00
3130B14U8	04/24/24	04/27/29	Federal Home Loan Banks	1,500,000.00	5.250%	393,093.75	1,893,093.75
3135GASP7	05/28/24	05/22/29	Federal National Mortgage Assoc	2,000,000.00	4.819%	462,500.00	2,462,500.00
Total federal investments				\$ 350,525,000.00	1.997%	\$ 30,077,499.17	\$ 380,602,499.17

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Supranationals							
459056HV2	08/29/19	08/28/24	International Bank for Recon & Devel	2,000,000.00	1.428%	149,916.67	2,149,916.67
45818WCW4	11/03/21	10/15/24	Inter-American Development Bank	1,440,000.00	0.828%	14,443.20	1,454,443.20
45950KCR9	02/04/21	10/16/24	International Finance Corporation	2,000,000.00	0.290%	101,750.00	2,101,750.00
45905U6L3	01/14/21	11/20/25	International Bank for Recon & Devel	2,000,000.00	0.510%	303,125.00	2,303,125.00

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CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
45950VPJ9	01/25/21	01/15/26	International Finance Corporation	2,000,000.00	0.500%	57,677.78	2,057,677.78
4581XODV7	04/23/21	04/20/26	Inter-American Development Bank	3,000,000.00	0.870%	131,031.25	3,131,031.25
45950VPY6	05/28/21	05/15/26	International Finance Corporation	2,000,000.00	0.500%	49,638.89	2,049,638.89
45906M4E8	07/31/23	06/26/28	International Bank for Recon & Devel	1,250,000.00	4.684%	281,250.00	1,531,250.00
45906M4E8	09/07/23	06/26/28	International Bank for Recon & Devel	1,700,000.00	4.500%	382,500.00	2,082,500.00
459058KW2	09/28/23	08/01/28	International Bank for Recon & Devel	2,000,000.00	4.720%	448,368.06	2,448,368.06
45818WFE1	03/01/24	03/01/29	Inter-American Development Bank	2,500,000.00	4.400%	550,000.00	3,050,000.00
Total supranationals				\$ 21,890,000.00	1.993%	\$ 2,469,700.85	\$ 24,359,700.85

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
U.S. Treasury							
9128286Z8	03/01/21	07/01/24	U.S. Treasury	2,500,000.00	0.370%	145,873.62	2,645,873.62
91282CCL3	10/21/22	07/15/24	U.S. Treasury	3,000,000.00	4.302%	19,504.08	3,019,504.08
912828YH7	01/14/21	09/30/24	U.S. Treasury	2,000,000.00	1.500%	111,263.74	2,111,263.74
9128282Y5	10/21/22	09/30/24	U.S. Treasury	2,000,000.00	4.511%	82,548.08	2,082,548.08
912828YV6	06/07/21	11/30/24	U.S. Treasury	2,000,000.00	0.436%	104,426.23	2,104,426.23
91282CDS7	10/21/22	01/15/25	U.S. Treasury	4,000,000.00	4.548%	100,516.30	4,100,516.30
912828ZC7	07/15/21	02/28/25	U.S. Treasury	2,000,000.00	0.563%	81,623.64	2,081,623.64
912828ZL7	02/19/21	04/30/25	U.S. Treasury	2,000,000.00	0.400%	31,450.28	2,031,450.28
912828ZT0	02/19/21	05/31/25	U.S. Treasury	2,000,000.00	0.400%	21,387.36	2,021,387.36
91282CEU1	10/21/22	06/15/25	U.S. Treasury	3,000,000.00	4.530%	228,586.07	3,228,586.07
91282CAM3	01/11/21	09/30/25	U.S. Treasury	2,500,000.00	0.250%	29,481.46	2,529,481.46
91282CAZ4	01/11/21	11/30/25	U.S. Treasury	2,500,000.00	0.375%	45,793.27	2,545,793.27
91282CGA3	10/17/23	12/15/25	U.S. Treasury	2,000,000.00	4.930%	199,992.72	2,199,992.72
91282CBQ3	03/01/21	02/28/26	U.S. Treasury	3,000,000.00	0.740%	74,959.24	3,074,959.24
91282CBQ3	03/02/21	02/28/26	U.S. Treasury	2,000,000.00	0.750%	49,945.65	2,049,945.65
912828U24	12/27/21	11/15/26	U.S. Treasury	2,500,000.00	1.200%	244,198.90	2,744,198.90
91282CDK4	01/14/22	11/30/26	U.S. Treasury	1,500,000.00	1.463%	91,432.01	1,591,432.01
912828Z78	05/08/23	01/31/27	U.S. Treasury	1,500,000.00	3.500%	83,970.99	1,583,970.99
91282CKJ9	05/06/24	04/15/27	U.S. Treasury	3,000,000.00	4.710%	404,870.90	3,404,870.90
91282CFB2	04/21/23	07/31/27	U.S. Treasury	2,500,000.00	3.770%	294,181.63	2,794,181.63
91282CFB2	05/03/24	07/31/27	U.S. Treasury	1,500,000.00	4.600%	144,375.00	1,644,375.00
91282CFU0	09/08/23	10/31/27	U.S. Treasury	1,500,000.00	4.491%	278,437.50	1,778,437.50
91282CGC9	01/25/23	12/31/27	U.S. Treasury	500,000.00	3.570%	96,393.30	596,393.30
91282CGC9	01/31/23	12/31/27	U.S. Treasury	750,000.00	3.647%	144,108.25	894,108.25
91282CGC9	09/08/23	12/31/27	U.S. Treasury	1,500,000.00	4.472%	261,562.50	1,761,562.50
91282CHA2	12/14/23	04/30/28	U.S. Treasury	1,000,000.00	4.265%	157,452.99	1,157,452.99
9128284N7	07/17/23	05/15/28	U.S. Treasury	1,000,000.00	3.952%	143,750.00	1,143,750.00
Total U.S. Treasury				\$ 55,250,000.00	2.552%	\$ 3,672,085.71	\$ 58,922,085.71

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Corporate notes							
742651DP4	06/27/19	07/15/24	Private Export Funding	2,500,000.00	1.900%	309,142.36	2,809,142.36
023135AZ9	08/22/19	08/22/24	Amazon.com Inc	2,000,000.00	2.800%	279,377.78	2,279,377.78
023135AZ9	10/17/19	08/22/24	Amazon.com Inc	2,500,000.00	1.860%	339,305.56	2,839,305.56
06406RAL1	02/18/20	10/24/24	Bank of NY Mellon	3,055,000.00	1.816%	300,459.25	3,355,459.25
06368G3W5	11/15/21	11/15/24	Bank of Montreal	2,000,000.00	1.000%	60,000.00	2,060,000.00
931142DV2	01/16/20	12/15/24	Wal-Mart	2,000,000.00	1.900%	260,436.11	2,260,436.11
478160CJ1	01/15/20	01/15/25	Johnson & Johnson	1,820,000.00	1.586%	238,875.00	2,058,875.00
478160CJ1	04/08/20	01/15/25	Johnson & Johnson	3,000,000.00	0.906%	375,593.75	3,375,593.75
478160CJ1	07/13/20	01/15/25	Johnson & Johnson	1,000,000.00	0.510%	118,270.83	1,118,270.83

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037833AZ3	09/10/21	02/09/25	Apple Inc	1,500,000.00	0.753%	128,020.83	1,628,020.83			
66989HAP3	04/13/20	02/14/25	Novartis Capital Corp	3,310,000.00	1.300%	280,131.74	3,590,131.74			
12572QAG0	06/03/20	03/15/25	CME Group Inc	2,771,000.00	0.730%	397,638.50	3,168,638.50			
654106AH6	12/31/20	03/27/25	Nike Inc.	2,867,000.00	0.500%	291,669.47	3,158,669.47			
341081FZ53	05/13/20	04/01/25	Flordia Power & Light	3,667,000.00	1.020%	509,193.51	4,176,193.51			
78015K7H17	12/07/21	06/10/25	Royal Bank of Canada	2,000,000.00	1.304%	80,691.67	2,080,691.67			
478160CN2	04/23/21	09/01/25	Johnson & Johnson	1,250,000.00	0.705%	29,944.44	1,279,944.44			
742718FL8	09/20/21	10/29/25	Procter & Gamble	1,500,000.00	0.757%	33,893.75	1,533,893.75			
92826CAD4	05/17/21	12/14/25	Visa Inc	1,250,000.00	0.910%	180,140.62	1,430,140.62			
06048WK82	08/23/21	01/26/26	Bank of America	1,000,000.00	1.000%	33,550.00	1,033,550.00			
58933YAY1	04/12/21	02/24/26	Merck & Co	1,500,000.00	0.950%	54,750.00	1,554,750.00			
48128G2Q2	03/01/21	02/26/26	JP Morgan Chase Bank	2,000,000.00	0.800%	80,000.00	2,080,000.00			
478160BY9	03/01/21	03/01/26	Johnson & Johnson	2,500,000.00	0.750%	306,250.00	2,806,250.00			
48128G3A6	03/03/21	03/03/26	JP Morgan Chase Bank	2,000,000.00	1.000%	100,000.00	2,100,000.00			
48128G3V0	06/11/21	06/11/26	JP Morgan Chase Bank	2,000,000.00	1.150%	115,000.00	2,115,000.00			
06048WM64	07/12/21	06/25/26	Bank of America	3,000,000.00	1.210%	178,300.00	3,178,300.00			
57629WDE7	07/22/21	07/16/26	Massmtual Global	3,750,000.00	1.010%	224,250.00	3,974,250.00			
594918BR4	08/11/21	08/08/26	Microsoft	4,000,000.00	0.900%	293,040.00	4,293,040.00			
48128G5A4	08/25/21	08/25/26	JP Morgan Chase Bank	2,000,000.00	1.200%	120,000.00	2,120,000.00			
06048WN63	09/10/21	09/10/26	Bank of America	2,000,000.00	1.150%	115,000.00	2,115,000.00			
06048WP20	09/24/21	09/24/26	Bank of America	2,000,000.00	1.250%	125,000.00	2,125,000.00			
59217GBY4	01/19/22	12/18/26	Met Life Global	4,000,000.00	1.940%	678,116.67	4,678,116.67			
06368GC39	12/30/21	12/30/26	Bank of Montreal (BLC)	2,450,000.00	2.000%	245,000.00	2,695,000.00			
742718FV6	02/04/22	02/01/27	Procter & Gamble	2,000,000.00	1.331%	189,683.33	2,189,683.33			
742718FV6	05/11/23	02/01/27	Procter & Gamble	1,000,000.00	3.620%	76,000.00	1,076,000.00			
48128G6F2	02/25/22	02/25/27	JP Morgan Chase Bank	5,000,000.00	2.550%	197,283.33	5,197,283.33			
478160CE2	04/18/22	03/03/27	Johnson & Johnson	1,750,000.00	2.850%	251,671.87	2,001,671.87			
742718FG9	07/08/22	03/25/27	Procter & Gamble	2,500,000.00	3.200%	329,972.22	2,829,972.22			
64952WEQ2	06/23/23	04/07/27	New York Life Global	1,500,000.00	4.630%	195,000.00	1,695,000.00			
64952WEQ2	07/18/23	04/07/27	New York Life Global	2,000,000.00	4.610%	260,000.00	2,260,000.00			
06048WW63	06/23/22	06/22/27	Bank of America	3,000,000.00	5.000%	750,000.00	3,750,000.00			
194162AN3	05/09/23	08/15/27	Colgate-Palmolive	2,000,000.00	3.694%	223,408.33	2,223,408.33			
81257VAA9	03/10/23	10/01/27	Seattle Children Hosp	1,000,000.00	5.000%	222,581.34	1,222,581.34			
78014RHK9	10/18/22	10/18/27	Royal Bank of Canada	2,500,000.00	5.700%	712,500.00	3,212,500.00			
592179KF1	10/17/23	01/06/28	Met Life Global	1,000,000.00	5.050%	227,250.00	1,227,250.00			
78014RKF6	01/18/23	01/18/28	Royal Bank of Canada	2,500,000.00	5.450%	691,090.22	3,191,090.22			
742718FZ7	11/01/23	01/26/28	Procter & Gamble	2,000,000.00	4.979%	355,500.00	2,355,500.00			
48130CDL6	11/03/23	11/03/28	JP Morgan Chase Bank	1,800,000.00	6.150%	553,500.00	2,353,500.00			
771196BW1	12/22/23	12/13/28	Roche Holdings Inc	2,000,000.00	4.330%	193,000.00	2,193,000.00			
6944PLZ21	01/12/24	01/11/29	Pacific Life Global	1,000,000.00	4.752%	245,000.00	1,245,000.00			
742718GF0	02/20/24	01/29/29	Procter & Gamble	2,000,000.00	4.530%	435,241.67	2,435,241.67			
771196CJ9	03/28/24	03/08/29	Roche Holdings Inc	3,000,000.00	4.640%	718,500.00	3,718,500.00			
478160CU6	06/13/24	06/01/29	Johnson & Johnson	3,000,000.00	4.800%	724,400.00	3,724,400.00			
478160CU6	06/03/24	06/01/29	Johnson & Johnson	2,750,000.00	4.895%	664,033.34	3,414,033.34			
06376A5W6	06/18/24	06/18/29	Bank of Montreal (BLC)	3,500,000.00	5.750%	1,006,250.00	4,506,250.00			
Total corporate notes				\$	122,990,000.00	2.448%	\$	16,102,907.48	\$	139,092,907.48

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Certificate of deposit							
14042RMN8	07/31/19	07/31/24	Capital One	247,000.00	2.250%	27,787.50	274,787.50
938828BM1	08/30/19	08/30/24	Washington Federal	249,000.00	2.000%	24,900.00	273,900.00
29278TLH1	09/13/19	09/13/24	Enerbank Usa	249,000.00	1.750%	21,787.50	270,787.50

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CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
15118RSC2	09/18/19	09/30/24	Celtic Bank	249,000.00	1.700%	20,956.25	269,956.25
75472RAN1	11/26/19	11/26/24	Raymond James Bank NA	247,000.00	1.850%	22,872.54	269,872.54
61690URM4	01/09/20	01/09/25	Morgan Stanley Bank NA	247,000.00	1.900%	23,490.72	270,490.72
07815AAZ0	02/27/20	02/27/25	Bell Bank Corp	249,000.00	1.600%	19,941.88	268,941.88
17037TEN3	03/13/20	03/13/25	Choice Financial Group	248,000.00	1.100%	13,647.47	261,647.47
02554BDA6	03/13/20	03/13/25	American Eagle bank	249,000.00	1.100%	13,702.54	262,702.54
73319FAF6	03/18/20	03/18/25	Poppy Bank	249,000.00	1.100%	13,702.54	262,702.54
835104BZ2	03/19/20	03/19/25	Somerset Trust	249,000.00	1.000%	12,456.88	261,456.88
45083ANS7	03/20/20	03/20/25	Iberia Bank	248,000.00	1.000%	12,406.79	260,406.79
072727BF6	03/27/20	03/27/25	Baycoast Bank	248,000.00	0.950%	11,786.45	259,786.45
02519TAZ9	03/27/20	03/27/25	American Commerce Bank	249,000.00	0.950%	11,834.03	260,834.03
14042TDD6	04/08/20	04/08/25	Capital One	248,000.00	1.600%	19,850.88	267,850.88
33847E3H8	05/15/20	05/15/25	Flagstar Bank	248,000.00	0.850%	10,545.77	258,545.77
29260MBF1	05/15/20	05/15/25	Encore Bank	249,000.00	0.800%	9,965.41	258,965.41
404730CR2	05/26/20	05/27/25	Haddon Savings Bank	248,000.00	0.750%	9,310.19	257,310.19
43719LAE5	05/29/20	05/29/25	Home Loan Inv Bank	249,000.00	0.800%	9,965.41	258,965.41
69506YRT8	05/29/20	05/29/25	Pacific Western Bank	249,000.00	0.700%	8,719.77	257,719.77
56102AAJ5	05/29/20	05/29/25	Malaga Bank	249,000.00	0.700%	8,719.87	257,719.87
86128QCF3	06/10/20	06/10/25	Stockman Bank	249,000.00	0.600%	7,474.10	256,474.10
740367MA2	07/17/20	07/17/25	Preferred Bank	249,000.00	0.500%	6,228.46	255,228.46
89235MIJZ5	07/16/20	07/28/25	Toyota Financial Savings Bank	249,000.00	0.650%	8,096.93	257,096.93
211163KQ2	07/29/20	07/29/25	Continental Bank	249,000.00	0.500%	6,228.46	255,228.46
02007GXF5	08/09/22	08/04/25	Ally Bank	201,000.00	3.400%	20,427.10	221,427.10
549104RV1	08/14/20	08/14/25	Luana Savings Bank	249,000.00	0.450%	5,605.57	254,605.57
32022RNT0	08/19/20	08/19/25	1st Financial Bank	249,000.00	0.450%	5,605.82	254,605.82
31944MBB0	08/20/20	08/20/25	1st Carolina Bank	249,000.00	0.450%	5,605.82	254,605.82
664122AF5	08/20/20	08/20/25	Northeast Community Bank	249,000.00	0.450%	5,605.82	254,605.82
228212AQ9	09/04/20	09/04/25	Crown Bank	249,000.00	0.400%	4,982.62	253,982.62
59013KKJ4	09/15/20	09/15/25	Merrick	249,000.00	0.400%	4,982.62	253,982.62
2027506P5	10/22/20	09/25/25	Commonwealth Bus Bank	249,000.00	0.400%	4,908.94	253,908.94
51507LBY9	09/29/20	09/29/25	Landmark Community	249,000.00	0.400%	4,982.58	253,982.58
538036LQ5	10/22/20	10/08/25	Live Oak Bank	249,000.00	0.400%	4,944.42	253,944.42
560390ASS	10/15/20	10/15/25	Maine Comm Bank	249,000.00	0.350%	4,359.94	253,359.94
33625CDS5	10/16/20	10/16/25	First Security Bank Wash	249,000.00	0.350%	4,359.94	253,359.94
780684AJ5	11/06/20	10/23/25	Royal Savings Bank	249,000.00	0.400%	4,944.42	253,944.42
33744AAW9	11/18/20	11/18/25	First US Bank	249,000.00	0.400%	4,982.62	253,982.62
88413QCU0	12/18/20	12/18/25	Third Federal Savings and Loan	249,000.00	0.450%	5,605.56	254,605.56
91330ACR6	12/18/20	12/18/25	Unity Bank	249,000.00	0.400%	4,982.72	253,982.72
08016PDV8	12/23/20	12/23/25	Belmont Savings Bank	249,000.00	0.400%	4,982.62	253,982.62
634116CW5	12/28/20	12/23/25	National Bank of NY City	249,000.00	0.400%	4,968.98	253,968.98
882214AA7	01/08/21	12/23/25	Texas Bank Henderson	249,000.00	0.450%	5,556.70	254,556.70
06424KBH2	01/08/21	01/08/26	Bank of Santa Clarita	249,000.00	0.400%	4,982.62	253,982.62
38522ABP0	01/08/21	01/08/26	Grand Bank Tulsa	249,000.00	0.400%	4,982.62	253,982.62
20143PEH9	01/26/21	01/26/26	Commercial Bank	249,000.00	0.471%	5,605.82	254,605.82
15258RAV9	01/27/21	01/27/26	Central Bank Storm Lake	249,000.00	0.471%	5,605.82	254,605.82
43786UJ2	02/18/21	01/29/26	Hometown Bk of Alabama	249,000.00	0.400%	4,928.04	253,928.04
909242AN9	02/26/21	02/26/26	United Rep Bk Omaha	249,000.00	0.400%	4,982.61	253,982.61
12527CDV1	03/03/21	03/03/26	CFG Community Bk	249,000.00	0.400%	4,982.73	253,982.73
110087AS2	03/10/21	03/10/26	Bristol Morgan Bank	249,000.00	0.450%	5,605.82	254,605.82
87164XA30	09/03/21	09/03/26	Synchrony Bank	249,000.00	0.900%	11,205.00	260,205.00
90348JS92	09/09/21	09/09/26	UBS Bank USA	249,000.00	0.950%	11,834.03	260,834.03
795451BH5	04/05/22	02/23/27	Sallie May Bank	247,000.00	2.564%	26,574.50	273,574.50
598580AM0	03/08/23	03/08/27	Mifflinburg Bank and Trust Company	249,000.00	4.650%	46,345.77	295,345.77
64034KBF7	03/09/22	03/09/27	Nelnet Bank Inc	247,000.00	1.950%	24,095.69	271,095.69

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27004PCN1	03/09/22	03/09/27	Eaglemark Savings	247,000.00	2.000%	24,713.53	271,713.53			
07371CN21	03/16/22	03/10/27	Beal Bank NV	247,000.00	1.800%	22,169.09	269,169.09			
07371AB28	03/16/22	03/10/27	Beal Bank TX	247,000.00	1.800%	22,169.09	269,169.09			
02589ABW1	03/23/22	03/23/27	American Exp Bank	247,000.00	2.200%	27,184.89	274,184.89			
31938QW34	02/15/22	04/15/27	First Business Bank	245,000.00	3.900%	33,790.69	278,790.69			
254673D94	05/18/22	05/19/27	Discover Bank	246,000.00	3.200%	39,403.14	285,403.14			
910286GS6	07/14/23	07/14/27	United Fidelity Bank	249,000.00	4.600%	45,847.38	294,847.38			
78577TMR3	11/06/23	08/06/27	Saco & Biddeford Savings Institution	244,000.00	5.000%	45,750.00	289,750.00			
68405VAU3	09/15/23	09/13/27	Optum Bank	244,000.00	4.700%	45,872.00	289,872.00			
20347MAS0	10/20/23	10/20/27	Community Bank and Trust	244,000.00	4.900%	47,824.00	291,824.00			
37173RAJ2	12/13/23	12/13/27	Genesee Regional Bank	244,000.00	4.400%	42,944.00	286,944.00			
34520LAY9	12/15/22	12/15/27	Forebright Bank	249,000.00	4.031%	49,827.34	298,827.34			
84229LBJ0	12/16/22	12/16/27	Southern Bank	245,000.00	4.000%	49,026.84	294,026.84			
32026U4X1	01/17/24	01/18/28	First Foundation Bank	245,000.00	4.000%	38,689.86	283,689.86			
70212YBE1	02/22/23	02/22/28	Partners Bank California	245,000.00	3.850%	47,188.34	292,188.34			
062119BH4	03/08/23	03/07/28	Bank Five Nine	249,000.00	4.550%	56,678.44	305,678.44			
05580AW59	03/10/23	03/10/28	BMW Bank North America	244,000.00	4.600%	56,181.50	300,181.50			
108622NK3	03/29/23	03/29/28	Bridgewater Bk	249,000.00	4.800%	59,825.54	308,825.54			
178180GY5	03/31/23	03/31/28	City Natl Bk - Los Angeles	243,000.00	5.000%	60,816.56	303,816.56			
914098DQ8	04/03/23	04/03/28	University Bank NA	249,000.00	4.800%	59,825.53	308,825.53			
61768E3D3	05/08/24	05/08/28	Morgan Stanley Bank NA	244,000.00	4.700%	45,903.42	289,903.42			
05600XQE3	05/16/23	05/16/28	BMO Harris Bank NA	244,000.00	4.500%	54,960.16	298,960.16			
23204HPB8	06/06/23	06/14/28	Customers Bank	244,000.00	4.500%	53,365.81	297,365.81			
91527PCD7	06/06/23	06/21/28	Univest Bank & Trust	249,000.00	4.500%	56,546.88	305,546.88			
501798UJ9	07/18/23	07/18/28	LCA Bank Corporation	243,000.00	4.500%	54,734.92	297,734.92			
58404DTG6	09/19/23	09/19/28	Medallion Bank	249,000.00	4.600%	57,332.81	306,332.81			
59936MAA4	09/25/23	09/25/28	Milford Building & Loan	244,000.00	4.550%	55,510.00	299,510.00			
84287PJB9	10/17/23	10/17/28	Southern First Bank	244,000.00	4.850%	59,170.00	303,170.00			
949765HZ0	11/21/23	11/21/28	Wells Fargo Bank NA	248,000.00	5.050%	62,898.31	310,898.31			
523343AA9	12/29/23	12/29/28	Ledyark National Bank	244,000.00	4.050%	49,464.16	293,464.16			
227563EX7	03/12/24	03/07/29	Cross River Bank	244,000.00	4.250%	51,736.36	295,736.36			
04518XAH7	03/14/24	03/14/29	Asian Bank	244,000.00	4.200%	51,268.08	295,268.08			
38150VUH0	05/21/24	05/21/29	Goldman Sachs Bank	244,000.00	4.500%	54,930.08	298,930.08			
93883MAZ1	05/22/24	05/22/29	Washington Financial Bank	244,000.00	4.450%	54,319.75	298,319.75			
Total certificate of deposit				\$	22,480,000.00	2.132%	\$	2,268,372.72	\$	24,748,372.72

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Mortgage backed securities (agency)							
3137FBTA4	03/10/21	08/25/24	FHLM - FHMS K728	1,838,339.70	3.064%	3,643.97	1,841,983.67
3137F32A1	04/15/20	11/25/24	FHLM - KHG1 A1	445,222.32	0.999%	4,573.16	449,795.48
3137BL6J2	07/22/22	12/25/24	FHLM - FHMS K048 A1	286,970.25	3.425%	3,262.05	290,232.30
3137BM7B6	06/30/22	04/25/25	FHMS - K051 A1	1,701,004.08	3.299%	21,539.16	1,722,543.24
30315EAA4	07/24/20	05/25/25	FRESB - MFM	878,161.98	0.830%	2,946.80	881,108.78
3137BJQ71	03/15/21	05/25/25	FHLM - FHMS KPLB A	2,000,000.00	2.770%	17,599.05	2,017,599.05
30318NAA1	02/19/21	01/25/26	FRESB - 2021-SB83	1,201,299.35	0.505%	6,721.63	1,208,020.98
3137BPW21	03/25/21	03/25/26	FHLM - KHMS K055	2,500,000.00	2.673%	53,399.29	2,553,399.29
3137BP4J5	08/20/21	03/25/26	FHLM - FHMS K1R1	971,801.05	0.414%	21,797.68	993,598.73
30321CAQ5	07/23/21	04/25/26	FRESB - 2021-SB88	1,662,756.23	0.746%	12,235.44	1,674,991.67
30324QAC2	01/21/22	11/25/26	FRESB - 2022-SB94	3,937,326.54	1.500%	76,102.07	4,013,428.61
30311SAA7	04/22/22	04/25/27	FRESB - 2022-SB97	3,299,469.49	2.803%	75,096.15	3,374,565.64
30329MAA0	10/28/22	06/25/27	FRESB - 2022-SB103	1,469,453.00	4.989%	42,492.51	1,511,945.51
30329QAA1	11/18/22	09/25/27	FRESB - 2022-SB104	3,879,566.71	2.600%	152,347.00	4,031,913.71

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3138L7D60	12/16/22	10/01/27	FHLM - AM6424	962,266.69	4.212%	49,914.80	1,012,181.49
3132XGRH1	01/27/23	11/01/27	FRESB - WN2287	2,973,374.43	3.929%	171,171.81	3,144,546.24
3132XFGC6	01/08/24	03/01/28	FHLM - WN1094	1,000,000.00	4.476%	23,729.32	1,023,729.32
3140LBSE4	01/09/24	03/01/28	FNMA - BS1416	1,000,000.00	4.300%	17,916.88	1,017,916.88
3140LJJC1	01/17/24	04/01/28	FNMA - BS7458	2,000,000.00	4.780%	168,014.07	2,168,014.07
3140LKEG4	01/09/24	05/01/28	FNMA - BS8234	1,381,540.00	4.448%	109,099.27	1,490,639.27
3132XFMP0	02/06/24	05/01/28	FHLM - WN1265	2,000,000.00	4.611%	171,282.31	2,171,282.31
30332EAA3	07/20/23	05/25/28	FRESB - 2023-SB107	2,995,194.91	4.090%	227,574.37	3,222,769.28
35564CAA5	01/11/24	06/25/28	FHLM - SLST 2018	974,443.63	5.366%	65,866.13	1,040,309.76
30333AAA0	08/17/23	06/25/28	FRESB - 2023-SB108	3,491,013.69	4.793%	282,508.28	3,773,521.97
3132XGYJ9	03/07/24	09/01/28	FHLM - WN2512	1,550,000.00	4.800%	130,409.29	1,680,409.29
30334CAA5	11/16/23	09/25/28	FRESB - 2023-SB111	2,748,901.01	5.284%	264,460.87	3,013,361.88
3132XGYR1	03/18/24	11/01/28	FHLM - WN2519	2,500,000.00	4.797%	239,781.76	2,739,781.76
3132XFNX2	02/13/24	11/01/28	FHLM - WN1305	2,000,000.00	4.350%	181,144.54	2,181,144.54
3132XGYU4	03/15/24	12/01/28	FHLM - WN2522	3,000,000.00	4.530%	282,579.92	3,282,579.92
3140NUFX2	01/30/24	12/01/28	FNMA - BZ0181	3,000,000.00	4.920%	313,574.99	3,313,574.99
30336BAA5	04/25/24	12/25/28	FRESB - 2024-SB113	3,499,787.00	5.217%	380,934.98	3,880,721.98
3132XGZE9	03/13/24	01/01/29	FHLM - WN2540	3,500,000.00	4.900%	368,742.62	3,868,742.62
3140NUN54	01/29/24	01/01/29	FNMA - BZ0411	2,000,000.00	4.400%	181,005.94	2,181,005.94
3140HRZS5	01/17/24	01/01/29	FNMA - BL0752	1,500,000.00	3.650%	111,692.53	1,611,692.53
3140NUUA5	03/19/24	03/01/29	FNMA - BZ0576	2,000,000.00	4.561%	199,354.06	2,199,354.06
3140NUUL1	03/13/24	03/01/29	FNMA - BZ0586	2,000,000.00	4.371%	188,886.23	2,188,886.23
30337MAA0	06/27/24	03/25/29	FRESB - 2024-SB114	3,000,000.00	4.990%	354,545.21	3,354,545.21
Total mortgage backed securities (agency)				\$ 77,147,892.06	3.847%	\$ 4,977,946.14	\$ 82,125,838.20

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Municipal bonds							
005158XL9	06/17/21	08/15/24	Ada & Canyon County School District	1,500,000.00	0.520%	237,083.33	1,737,083.33
419792ZK5	02/26/21	10/01/24	State of Hawaii	3,000,000.00	0.433%	86,549.17	3,086,549.17
419792ZK5	03/17/22	10/01/24	State of Hawaii	2,000,000.00	2.160%	40,723.78	2,040,723.78
79771FFP7	03/01/21	11/01/24	San Francisco City Public Utilities	1,000,000.00	0.600%	26,523.31	1,026,523.31
575181GX	06/02/21	12/01/24	Mason & Kitsap Counties School Distri	640,000.00	0.538%	12,041.64	652,041.64
023051YW9	07/19/21	02/01/25	Amarillo Independent SD	1,800,000.00	0.600%	-	1,800,000.00
882806HG0	03/22/21	02/15/25	Texas St Tech Univ	2,500,000.00	0.679%	93,800.00	2,593,800.00
91412HGE7	03/01/21	05/15/25	University of California	1,500,000.00	0.600%	55,724.13	1,555,724.13
91412HGE7	06/29/21	05/15/25	University of California	1,960,000.00	0.799%	67,111.92	2,027,111.92
625506QN3	02/02/21	06/15/25	County of Multnomah OR	2,000,000.00	0.430%	37,553.89	2,037,553.89
91412GU94	01/28/21	07/01/25	University of California	1,805,000.00	0.509%	244,645.68	2,049,645.68
20772KEW5	06/30/22	09/15/25	State of Connecticut	2,850,000.00	3.201%	476,400.00	3,326,400.00
13063DMA3	04/01/21	04/01/26	State of California	4,140,000.00	0.970%	161,300.35	4,301,300.35
13063DMA3	05/18/21	04/01/26	State of California	1,250,000.00	0.910%	342,250.56	1,592,250.56
736688MF6	09/01/21	06/15/26	Portland Community College	1,100,000.00	0.841%	122,255.56	1,222,255.56
569280EX4	12/07/21	06/15/26	Marion County School	1,880,000.00	1.374%	548,550.00	2,428,550.00
842475P82	02/11/22	07/01/26	Sthrn CA ST Pub Pwr Auth	2,485,000.00	1.930%	47,357.32	2,532,357.32
797272QR5	08/12/21	08/01/26	San Diego Community College	3,000,000.00	0.860%	33,041.17	3,033,041.17
801315KR2	08/23/21	08/01/26	Santa Barbara CA USD	500,000.00	0.842%	81,862.08	581,862.08
798189PY6	08/23/21	08/01/26	San Jose Evergreen Community Colleg	750,000.00	0.842%	101,809.78	851,809.78
798170AJ5	01/06/22	08/01/26	San Jose Redevelopment	3,000,000.00	1.507%	342,742.58	3,342,742.58
6041295T9	08/10/22	08/01/26	Minnesota State	1,215,000.00	3.250%	174,512.81	1,389,512.81
79730CJK1	04/22/24	08/01/26	San Diego Pub Fin Auth Water Revenu	2,000,000.00	5.035%	86,586.50	2,086,586.50
13063DRD2	02/08/22	10/01/26	State of California	2,400,000.00	1.730%	170,415.98	2,570,415.98
419792ZLN9	03/02/22	10/01/26	State of Hawaii	2,000,000.00	1.810%	264,891.67	2,264,891.67

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13067WSW3	12/20/21	12/01/26	State of California	1,275,000.00	1.051%	977,643.33	2,252,643.33
13067WSW3	03/29/22	12/01/26	State of California	1,425,000.00	2.708%	84,523.29	1,509,523.29
13067WSW3	04/18/22	12/01/26	State of California	2,705,000.00	3.035%	90,565.95	2,795,565.95
016249FQ2	10/30/23	02/15/27	Alief Independent School District	1,980,000.00	5.380%	360,360.00	2,340,360.00
544646A77	06/13/22	05/01/27	Los Angeles Unified School District	3,500,000.00	3.820%	15,705.20	3,515,705.20
68608VDX9	10/13/23	05/01/27	State of Oregon	1,000,000.00	5.080%	132,640.00	1,132,640.00
91412HGF4	05/15/23	05/15/27	University of California	1,000,000.00	3.810%	52,640.00	1,052,640.00
91412HGF4	05/16/24	05/15/27	University of California	2,500,000.00	4.712%	98,700.00	2,598,700.00
91412HGF4	05/03/24	05/15/27	University of California	1,000,000.00	4.780%	46,060.00	1,046,060.00
544495VX9	08/27/23	07/01/27	Los Angeles Dept of Water & Power	1,500,000.00	4.100%	345,669.33	1,845,669.33
419794F72	06/06/23	07/01/27	State of Hawaii	1,125,000.00	4.720%	82,624.50	1,207,624.50
438701Y40	06/28/23	07/01/27	Honolulu Wastewater System Revenue	1,500,000.00	4.460%	168,412.50	1,668,412.50
796720NT3	02/22/23	08/01/27	San Bernardino Community College Di	1,500,000.00	1.480%	107,266.25	1,607,266.25
357155BA7	05/09/23	08/01/27	Fremont CA Unified School District	2,000,000.00	3.750%	94,110.34	2,094,110.34
68609TU22	08/22/23	08/01/27	Oregon State Dept of Transportation	1,585,000.00	1.354%	85,843.60	1,670,843.60
212204JH5	08/31/23	08/01/27	Contra Costa CA Community College D	1,000,000.00	4.720%	86,520.00	1,086,520.00
797272RP8	10/25/23	08/01/27	San Diego Community College	2,290,000.00	5.161%	149,582.80	2,439,582.80
072031AP2	08/01/23	10/01/27	Bay Area Water	1,250,000.00	4.742%	189,281.25	1,439,281.25
032556FB3	10/17/23	10/01/27	City of Anaheim	1,670,000.00	1.998%	133,466.40	1,803,466.40
68607DVD4	06/16/23	11/15/27	Oregon State Dept of Transportation	2,000,000.00	4.370%	97,560.00	2,097,560.00
13063DC48	12/14/23	02/01/28	State of California	1,440,000.00	4.500%	110,160.00	1,550,160.00
54438CYM8	12/19/23	08/01/28	Los Angeles Community College Dist	2,250,000.00	4.350%	180,675.00	2,430,675.00
802385SN5	11/17/23	08/01/28	Santa Monica Community College Dist	1,000,000.00	4.950%	176,350.00	1,176,350.00
798170AL0	08/09/23	08/01/28	San Jose Redevelopment	1,000,000.00	4.742%	189,281.25	1,189,281.25
83412PHS4	01/22/24	08/01/28	Solano County Community College Dis	2,000,000.00	4.227%	147,900.00	2,147,900.00
7994082H1	08/24/23	08/01/28	San Ramon Valley School District	1,000,000.00	4.850%	83,500.00	1,083,500.00
695802NN4	12/07/23	08/01/28	Pajaro Valley Unified School District	1,200,000.00	4.294%	257,640.00	1,457,640.00
882723B40	11/21/23	10/01/28	State of Texas	1,500,000.00	4.700%	248,325.00	1,748,325.00
769036BR4	06/03/24	06/01/29	City of Riverside	1,375,000.00	4.895%	194,081.25	1,569,081.25
882724RD1	11/21/23	10/01/28	State of Texas PFA	2,000,000.00	4.750%	227,600.00	2,227,600.00
13063DL22	11/15/23	10/01/28	State of California	1,000,000.00	5.008%	87,500.00	1,087,500.00
13077DQGO	02/08/24	11/01/28	California State University	2,500,000.00	4.260%	190,125.00	2,690,125.00
59320A30	05/01/24	05/01/29	City of Miami Beach FL	1,400,000.00	4.674%	327,180.00	1,727,180.00
Total municipal bonds				\$ 101,745,000.00	2.716%	\$ 9,675,225.44	\$ 111,420,225.44

CUSIP	Settlement	Maturity	Issuer	Par	Yield	Interest expected	Return
Cash and pooled investments							
01WFCASH			Wells Fargo Bank - General	2,413,725.00	0.000%	-	2,413,725.00
01WFBSWEEP			Wells Fargo Sweep account	12,841,166.63	5.191%	55,544.04	12,896,710.67
01WFCUSTODY			Principal - Custody	1,502,826.10	2.950%	3,694.45	1,506,520.55
01CAMP1028			CAMP	132,222,971.75	5.430%	598,308.95	132,821,280.70
01CI0502			LAIF City	211,182.37	4.480%	788.41	211,970.78
01CM0502			LAIF CMWD	853,582.88	4.480%	3,186.71	856,769.59
01PF10391			LAIF CPFA	781,913.62	4.480%	2,919.14	784,832.76
Total cash and pooled investments				\$ 150,827,368.35	5.286%	\$ 664,441.70	\$ 151,491,810.05
GRAND TOTAL				\$ 902,855,260.41	2.8849%	\$ 69,908,179.21	\$ 972,763,439.62

115 Trust Activity

June 30, 2024

The city's Section 115 Trust is a post-employment benefit trust that was established by City Council on September 12, 2023 (Resolution 2023-240). In connection with City Council Policy No. 86 and 98, the trust allows the city to stabilize pension cost volatility, maintain local control over the city's assets and earn a potentially higher rate of return than if the assets were kept in the General Fund. These funds are restricted and not pooled with other investment funds.

Period Ending	Contributions	Net Earnings	Distributions	Ending Balance
12/31/23	\$ 10,000,000.00	\$ 294,069.68	\$ -	\$ 10,294,069.68
01/31/24	-	(40,308.43)	-	10,253,761.25
02/29/24	-	216,565.94	-	10,470,327.19
03/31/24	-	231,767.31	-	10,702,094.50
04/30/24	-	(338,826.41)	-	10,363,268.09
05/31/24	-	350,065.41	-	10,713,333.50
06/30/24	-	136,079.46	-	10,849,412.96
Summary	\$ 10,000,000.00	\$ 849,412.96	\$ -	\$ 10,849,412.96

City of Carlsbad investment portfolio
Investments of bond accounts

Exhibit 11

June 30, 2024

Fund Type	Investments	Market yield	Maturity date	Par value
<u>Communities Facilities District #3 Improvement Area 1, 2016 Bonds</u>				
Reserve fund	Invesco Gov. & Agency - Institutional Money Market	5.23%	09/01/36	\$ 625,802.04
Other	Invesco Gov. & Agency - Institutional Money Market	5.23%	09/01/36	293.19
Total				<u>\$ 626,095.23</u>
<u>Communities Facilities District #3 Improvement Area 2, 2016 Bonds</u>				
Reserve fund	Invesco Gov. & Agency - Institutional Money Market	5.23%	09/01/38	\$ 912,797.77
Other	Invesco Gov. & Agency - Institutional Money Market	5.23%	09/01/38	454.19
Total				<u>\$ 913,251.96</u>
<u>Reassessment District 22-01 (College/Cannon)</u>				
Reserve Fund	Bank of New York Mellon	0.00%	09/01/35	\$ 882,577.60
Other	Bank of New York Mellon	0.00%	09/01/35	25,963.71
Total				<u>\$ 908,541.31</u>
Total funds held in bond accounts				<u><u>2,447,888.50</u></u>



CITY COUNCIL
Staff Report

Meeting Date: August 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Jason Rosado, Finance Manager
jason.rosado@carlsbadca.gov, 442-339-2473

Subject: Agreement with Hinderliter de Llamas and Associates for Sales and Use Tax Auditing, Analysis and Reporting Services

Districts: All

Recommended Action

1. Adopt a resolution authorizing the Mayor to enter into an agreement with Hinderliter de Llamas and Associates as the consultant authorized to examine sales and use tax records of the California Department of Tax and Fee Administration on the city's behalf; and
2. Adopt a resolution approving Hinderliter de Llamas and Associates as the consultant authorized to examine sales and use tax records of the California Department of Tax and Fee Administration on the city's behalf.

Executive Summary

Sales tax revenues generated by local businesses are a primary revenue source for the City of Carlsbad. Ensuring the city receives all sales tax revenue it is entitled to is key to maintaining its fiscal integrity. Fiscal year 2022-23 ended with a total of \$56.2 million in sales tax revenues and fiscal year 2023-24 is projected to end with approximately \$59.4 million.

The city has used auditing firms to audit, analyze and report on its sales tax since 1993. Staff have reviewed the proposals the city received for these services and are requesting that the City Council accept Hinderliter de Llamas and Associates' bid. Hinderliter de Llamas and Associates possesses the tools and support necessary to ensure that the City of Carlsbad receives its share of the sales and use taxes and to capture additional taxes through improved revenue collection processes.

Sales tax revenue covers the costs of these sales tax auditing, analysis and reporting services. The City Council's approval is required for this agreement because Carlsbad Municipal Code Section 3.28.060 - Procurement of Professional Services and Services designates the City Council as the awarding authority for procurement of professional services and services that will cost the city more than \$100,000 per agreement year.

Explanation & Analysis

Background

The city typically awards agreements for sales and use tax auditing, analysis and reporting services on a five-year basis with annual options to extend the agreement. Staff requested proposals for these specialized services and received two responses.

A selection committee examined both proposals and recommended Hinderliter de Llamas and Associates, finding it provides the best value for the city.

Services

This service agreement is required for the city to continue to collect accurate sales and use tax revenues. Agreement compliance requires Hinderliter, de Llamas & Associates to provide:

- A special database capable of providing reports and identifying the allocations of all sales tax producers within the city.
- Updated reports identifying changes in sales by individual businesses, business groups and categories of businesses.
- A special database with the California Department of Tax and Fee Administration registration data.
- Initial and on-going sales and use tax audits of businesses to help identify and correct distribution and allocation errors when directed.
- Prepare and submit quarterly reports to the city analyzing the city's sales tax trends.

Fiscal Analysis

The cost of sales and use tax and economic analysis, forecasting services and reporting services will initially be \$500 per month, invoiced quarterly. The fee is subject to adjustment according to the 12-month percent change in the most recently published annual Consumer Price Index – West Urban (CPI-WU), as reported by the U.S. Bureau of Labor Statistics.

The city's allocation and audit recovery service costs will be 15% of all recovered sales and use tax revenue received by the City of Carlsbad as a result, in whole or in part, of the consultant's services.

As noted above, sales tax revenue typically fully funds the cost of sales tax auditing, analysis and reporting services. A similar agreement in fiscal year 2023-24 incurred \$111,401 in fees, all of which were covered by revenue generated by the service.

Next Steps

Staff will continue to utilize sales and use tax reporting to report financial and economic development data to the City Council. Staff will meet with Hinderliter, de Llamas & Associates staff on at least a quarterly basis to review sales and use tax collection and reporting.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. City Council resolution authorizing the Mayor to execute the Agreement with Hinderliter de Llamas and Associates
2. City Council resolution approving Hinderliter de Llamas and Associates as the consultant authorized to examine sales and use tax records of the California Department of Tax and Fee Administration on behalf of the City of Carlsbad

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH HINDERLITER DE LLAMAS AND ASSOCIATES AS THE CONSULTANT AUTHORIZED TO EXAMINE SALES AND USE TAX RECORDS OF THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION ON THE CITY'S BEHALF

WHEREAS, the auditing and analysis of the California Department of Tax and Fee Administration (CDTFA) records pertaining to the ascertainment of the sales or transaction and use taxes to be collected on the city's behalf is key in maintaining the city's fiscal integrity; and

WHEREAS, proposals from two firms qualified to perform such services were evaluated; and

WHEREAS, staff believe that Hinderliter de Llamas and Associates is the best equipped firm in providing sales tax audit, analysis and reporting.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. The firm of Hinderliter de Llamas and Associates is selected to provide the auditing, analysis and reporting services; and
3. That the Mayor is hereby authorized to execute the Agreement (Attachment A) between Hinderliter de Llamas and Associates and the City of Carlsbad.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

**AGREEMENT FOR SALES TAX AUDITING, ANALYSIS, AND REPORTING SERVICES
HINDERLITER DE LLAMAS AND ASSOCIATES**

THIS AGREEMENT is made and entered into as of the _____ day of _____, 20____, by and between the City of Carlsbad, California, a municipal corporation ("City") and Hinderliter de Llamas and Associates, a California stock corporation, ("Contractor").

RECITALS

- A. City requires the professional services of a consultant that is experienced in sales tax auditing, analysis, and reporting.
- B. Contractor has the necessary experience in providing professional services and advice related to sales tax auditing, analysis, and reporting.
- C. Contractor has submitted a proposal to City and has affirmed its willingness and ability to perform such work.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, City and Contractor agree as follows:

1. SCOPE OF WORK

City retains Contractor to perform, and Contractor agrees to render, those services (the "Services") that are defined in attached Exhibit "A," which is incorporated by this reference in accordance with this Agreement's terms and conditions.

2. STANDARD OF PERFORMANCE

While performing the Services, Contractor will exercise the reasonable professional care and skill customarily exercised by reputable members of Contractor's profession practicing in the Metropolitan Southern California area and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

3. TERM

The term of this Agreement will be effective for a period of five (5) years from the date first above written. The City Manager may amend the Agreement to extend it for one (1) additional five (5) year term or parts thereof. Extensions will be based upon a satisfactory review of Contractor's performance, City needs, and appropriation of funds by the City Council. The parties will prepare a written amendment indicating the effective date and length of the extended Agreement.

4. TIME IS OF THE ESSENCE

Time is of the essence for each and every provision of this Agreement.

5. COMPENSATION

The total fee payable for the Sales and Use Tax and Economic Analysis/Forecasting Services/Reports to be performed during the Agreement term and optional extension shall not exceed six thousand dollars (\$6,000) per Agreement year (paid quarterly), plus an adjustment at the beginning of each Agreement year based on the 12-month percent change in the Consumer Price Index – West Urban (CPI-WU) as reported by the Bureau of Labor Statistics. The Consumer Price Index used for the CPI adjustment will be

the CPI-WU for the month in which the agreement is fully signed with the first adjustment to occur at the beginning of the second Agreement year.

Payment for Sales and Use Tax Allocation and Audit Recovery Services will be based on a fifteen percent (15%) fee of all recovered sales and use tax revenue received by the City as a result, in whole or in part, of the allocation and audit recovery services . The 15% fee shall be paid quarterly and only after Contractor has submitted evidence of Contractor's relevant allocation and audit recovery services in support thereof, including, without limitation, copies of relevant communications between Contractor and the California Department of Tax and Fee Administration ("CDTFA") and/or taxpayers; the City has received the revenue from the corrected sales and use tax revenue; and the quarterly distribution report has verified receipt of said revenue.

Fees for performing optional consulting and other services described in Exhibit "A" shall be based on rates as described in Exhibit "A."

Incremental payments, if applicable, should be made as outlined in attached Exhibit "A." No other compensation for the services will be allowed except for items covered by subsequent amendments to this Agreement. The City reserves the right to withhold a ten percent (10%) retention until City has accepted the work and/or Services specified in Exhibit "A."

7. STATUS OF CONTRACTOR

Contractor will perform the Services in Contractor's own way as an independent contractor and in pursuit of Contractor's independent calling, and not as an employee of City. Contractor will be under control of City only as to the result to be accomplished, but will consult with City as necessary. The persons used by Contractor to provide services under this Agreement will not be considered employees of City for any purposes.

The payment made to Contractor pursuant to the Agreement will be the full and complete compensation to which Contractor is entitled. City will not make any federal or state tax withholdings on behalf of Contractor or its agents, employees or subcontractors. City will not be required to pay any workers' compensation insurance or unemployment contributions on behalf of Contractor or its employees or subcontractors. Contractor agrees to indemnify City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Contractor or any agent, employee, or subcontractor of Contractor for work done under this Agreement. At the City's election, City may deduct the indemnification amount from any balance owing to Contractor.

8. SUBCONTRACTING

Contractor will not subcontract any portion of the Services without prior written approval of City. If Contractor subcontracts any of the Services, Contractor will be fully responsible to City for the acts and omissions of Contractor's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Contractor is for the acts and omissions of persons directly employed by Contractor. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Contractor and City. Contractor will be responsible for payment of subcontractors. Contractor will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Contractor's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

9. OTHER CONTRACTORS

The City reserves the right to employ other Contractors in connection with the Services.

10. INDEMNIFICATION

Contractor agrees to defend (with counsel approved by the City), indemnify, and hold harmless the City and its officers, elected and appointed officials, employees and volunteers from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the work described herein caused by any negligence, recklessness, or willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

The parties expressly agree that any payment, attorney's fee, costs or expense City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this section, and that this section will survive the expiration or early termination of this Agreement.

11. INSURANCE

Contractor will obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Contractor or Contractor's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. The insurance carrier is required to have a current Best's Key Rating of not less than "A-VII"; **OR** with a surplus line insurer on the State of California's List of Approved Surplus Line Insurers (LASLI) with a rating in the latest Best's Key Rating Guide of at least "A:X"; **OR** an alien non-admitted insurer listed by the National Association of Insurance Commissioners (NAIC) latest quarterly listings report.

11.1 Coverages and Limits. Contractor will maintain the types of coverages and minimum limits indicated below, unless Risk Manager or City Manager approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Contractor's indemnification obligations under this Agreement. City, its officers, agents and employees make no representation that the limits of the insurance specified to be carried by Contractor pursuant to this Agreement are adequate to protect Contractor. If Contractor believes that any required insurance coverage is inadequate, Contractor will obtain such additional insurance coverage, as Contractor deems adequate, at Contractor's sole expense. The full limits available to the named insured shall also be available and applicable to the City as an additional insured.

11.1.1 Commercial General Liability (CGL) Insurance. Insurance written on an "occurrence" basis, including personal & advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

11.1.2 Automobile Liability. (if the use of an automobile is involved for Contractor's work for City). \$2,000,000 combined single-limit per accident for bodily injury and property damage.

11.1.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code. Workers' Compensation will not be required if Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

11.1.4 Professional Liability. Errors and omissions liability appropriate to Contractor’s profession with limits of not less than \$1,000,000 per claim. Coverage must be maintained for a period of five years following the date of completion of the work.

11.2 Additional Provisions. Contractor will ensure that the policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

11.2.1 The City will be named as an additional insured on Commercial General Liability which shall provide primary coverage to the City.

11.2.2 Contractor will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage.

11.2.3 This insurance will be in force during the life of the Agreement and any extensions of it and will not be canceled without thirty (30) days prior written notice to City sent by certified mail pursuant to the Notice provisions of this Agreement.

11.3 Providing Certificates of Insurance and Endorsements. Prior to City's execution of this Agreement, Contractor will furnish certificates of insurance and endorsements to City.

11.4 Failure to Maintain Coverage. If Contractor fails to maintain any of these insurance coverages, then City will have the option to declare Contractor in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order to maintain the required coverages. Contractor is responsible for any payments made by City to obtain or maintain insurance and City may collect these payments from Contractor or deduct the amount paid from any sums due Contractor under this Agreement.

SR 11.5 Submission of Insurance Policies. City reserves the right to require, at any time, complete and certified copies of any or all required insurance policies and endorsements.

12. BUSINESS LICENSE

Contractor will obtain and maintain a City of Carlsbad Business License for the term of the Agreement, as may be amended from time-to-time.

13. ACCOUNTING RECORDS

Contractor will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Contractor will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Contractor will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

14. OWNERSHIP OF DOCUMENTS

All work product produced by Contractor or its agents, employees, and subcontractors pursuant to this Agreement is the property of City. In the event this Agreement is terminated, all work product produced by Contractor or its agents, employees and subcontractors pursuant to this Agreement will be delivered

at once to City. Contractor will have the right to make one (1) copy of the work product for Contractor’s records.

15. COPYRIGHTS

Contractor agrees that all copyrights that arise from the services will be vested in City and Contractor relinquishes all claims to the copyrights in favor of City.

16. NOTICES

The name of the persons who are authorized to give written notice or to receive written notice on behalf of City and on behalf of Contractor under this Agreement are:

For City:

Name Jason Rosado
 Title Finance Manager
 Dept Finance
CITY OF CARLSBAD
 Address 1635 Faraday Avenue
Carlsbad, CA 92008
 Phone 442-339-2473

For Contractor:

Name Andrew Nickerson
 Title Project Manager
 Address 120 S State College Blvd #200
Brea, CA 92821
 Phone 714-879-5000
 Email contracts@hdlcompanies.com

Each party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

17. CONFLICT OF INTEREST

Contractor shall file a Conflict of Interest Statement with the City Clerk in accordance with the requirements of the City of Carlsbad Conflict of Interest Code. The Contractor shall report investments or interests as required in the City of Carlsbad Conflict of Interest Code.

Yes No

If yes, list the contact information below for all individuals required to file:

Name	Email	Phone Number

18. GENERAL COMPLIANCE WITH LAWS

Contractor will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Contractor, or in any way affect the performance of the Services by Contractor. Contractor will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of Contractor's services with all applicable laws, ordinances and regulations.

Contractor will be aware of the requirements of the Immigration Reform and Control Act of 1986 and will comply with those requirements, including, but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants whose services are required by this Agreement.

19. CALIFORNIA AIR RESOURCES BOARD (CARB) ADVANCED CLEAN FLEETS REGULATIONS

Contractor's vehicles with a gross vehicle weight rating greater than 8,500 lbs. and light-duty package delivery vehicles operated in California may be subject to the California Air Resources Board (CARB) Advanced Clean Fleets regulations. Such vehicles may therefore be subject to requirements to reduce emissions of air pollutants. For more information, please visit the CARB Advanced Clean Fleets webpage at <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>.

20. DISCRIMINATION AND HARASSMENT PROHIBITED

Contractor will comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

21. DISPUTE RESOLUTION

If a dispute should arise regarding the performance of the Services the following procedure will be used to resolve any questions of fact or interpretation not otherwise settled by agreement between the parties. Representatives of Contractor or City will reduce such questions, and their respective views, to writing. A copy of such documented dispute will be forwarded to both parties involved along with recommended methods of resolution, which would be of benefit to both parties. The representative receiving the letter will reply to the letter along with a recommended method of resolution within ten (10) business days. If the resolution thus obtained is unsatisfactory to the aggrieved party, a letter outlining the disputes will be forwarded to the City Manager. The City Manager will consider the facts and solutions recommended by each party and may then opt to direct a solution to the problem. In such cases, the action of the City Manager will be binding upon the parties involved, although nothing in this procedure will prohibit the parties from seeking remedies available to them at law.

22. TERMINATION

In the event of the Contractor's failure to prosecute, deliver, or perform the Services, City may terminate this Agreement for nonperformance by notifying Contractor by certified mail of the termination. If City decides to abandon or indefinitely postpone the work or services contemplated by this Agreement, City may terminate this Agreement upon written notice to Contractor. Upon notification of termination, Contractor has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the work product delivered to City and of the percentage of work that Contractor has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement.

City may terminate this Agreement by tendering thirty (30) days written notice to Contractor. Contractor may terminate this Agreement by tendering ninety (90) days written notice to City. In the event of termination of this Agreement by either party and upon request of City, Contractor will assemble the work product and put it in order for proper filing and closing and deliver it to City. Contractor will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

23. COVENANTS AGAINST CONTINGENT FEES

Contractor warrants that Contractor has not employed or retained any company or person, other than a bona fide employee working for Contractor, to solicit or secure this Agreement, and that Contractor has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to annul this Agreement without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

24. CLAIMS AND LAWSUITS

By signing this Agreement, Contractor agrees that any Agreement claim submitted to City must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Contractor acknowledges that if a false claim is submitted to City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that California Government Code sections 12650 *et seq.*, the False Claims Act applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorney's fees. Contractor acknowledges that the filing of a false claim may subject Contractor to an administrative debarment proceeding as the result of which Contractor may be prevented to act as a Contractor on any public work or improvement for a period of up to five (5) years. Contractor acknowledges debarment by another jurisdiction is grounds for City to terminate this Agreement.

25. JURISDICTION AND VENUE

This Agreement will be governed by the laws of the State of California regardless of conflict of laws principles. Any action at law or in equity brought by either of the parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Diego, State of California, and the parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

26. SUCCESSORS AND ASSIGNS

It is mutually understood and agreed that this Agreement will be binding upon City and Contractor and their respective successors. Neither this Agreement nor any part of it nor any monies due or to become due under it may be assigned by Contractor without the prior consent of City, which shall not be unreasonably withheld.

27. ENTIRE AGREEMENT

This Agreement, together with any other written document referred to or contemplated by it, along with the purchase order for this Agreement and its provisions, embody the entire Agreement and understanding between the parties relating to the subject matter of it. In case of conflict, the terms of the Agreement supersede the purchase order. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties. This Agreement may be executed in counterparts.

28. AUTHORITY

The individuals executing this Agreement and the instruments referenced in it on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions of this Agreement.

Executed by Contractor this _____ day of _____, 20____.

CONTRACTOR
Hinderliter de Llamas and Associates, a
California stock corporation

CITY OF CARLSBAD, a municipal corporation of
the State of California

By: Robert Gray

(sign here)

By: _____
KEITH BLACKBURN, Mayor

ROBERT GRAY, Vice President
(print name/title)

ATTEST:
SHERRY FREISINGER, City Clerk

By: Richard Park

(sign here)

By: _____
Deputy City Clerk

RICHARD PARK, Chief Finance Officer
(print name/title)

If required by City, proper notarial acknowledgment of execution by contractor must be attached. If a corporation, Agreement must be signed by one corporate officer from each of the following two groups.

Group A
Chairman,
President, **or**
Vice-President

Group B
Secretary,
Assistant Secretary,
CFO **or** Assistant Treasurer

Otherwise, the corporation **must** attach a resolution certified by the secretary or assistant secretary under corporate seal empowering the officer(s) signing to bind the corporation.

APPROVED AS TO FORM:

CINDIE K. McMAHON, City Attorney

BY: Anayeli Barala

Deputy / Assistant City Attorney

EXHIBIT A

SCOPE OF SERVICES AND FEE

1. Sales and Use Tax and Economic Analysis/Forecasting Services/Reports

- 1.1. Establish a special database identifying the name, address, and quarterly allocations of all sales tax producers within the City. This database will be utilized to generate special reports to City on major sales tax producers by rank and category, sales tax activity by categories, or business districts, identification of reporting aberrations, and per capita and outlet comparisons with regional and statewide sales.
- 1.2. Provide periodic updated reports to City identifying changes in sales by individual businesses, business groups and categories, and by geographic area. These reports may include, without limitation, quarterly aberrations due to State audits, fund transfers, and receivables, along with late or double payments, and quarterly reconciliation worksheets to assist with budget forecasting. Contractor shall meet quarterly by in person or virtually with City.
- 1.3. Shall additionally provide following each calendar quarter a summary analysis for City to share with Council Members, Chamber of Commerce, other economic development interest groups and the public that analyze City's sales tax trends by major groups and geographic areas without disclosing confidential individual tax records.
- 1.4. Establish a special database with California Department of Tax and Fee Administration ("CDTFA") registration data for businesses within applicable district boundaries holding seller's permit accounts.
- 1.5. Periodically license for the limited, non-exclusive, non-transferable use by City's staff certain of Contractor's web-based sales, use and/or transactions tax program(s) containing sellers permit, registration, allocation and related information for business outlets within City's jurisdiction registered with the CDTFA.
- 1.6. Provide periodic updated reports endeavoring to identify and assist with budget forecasting (i) changes in allocation totals by individual businesses, business groups and categories, and (ii) aberrations due to State audits, fund transfers, and receivables, along with late or double payments.

2. Sales and Use Tax Allocation and Audit Recovery Services

- 2.1. Conduct (when mutually agreed with City) initial and on-going sales and use tax audits of businesses to help identify and correct distribution and allocation errors, and to proactively affect favorable registration, reporting or formula changes thereby generating previously unrealized sales and use tax income for the City and/or recovering misallocated tax from registered taxpayers. Common errors that will be monitored and corrected include but are not limited to: transposition errors resulting in misallocations; erroneous consolidation of multiple outlets; formula errors; misreporting of "point of sale" to the wrong location; delays in reporting new outlets; misallocating use tax payments to the allocation pools or wrong jurisdiction; and erroneous fund transfers and adjustments.
- 2.2. Initiate contacts with the CDTFA and sales management and accounting officials in companies that have businesses where a probability of error exists to endeavor to help verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner.

- 2.3. Prepare and submit to the CDTFA information for the purpose of correcting any identified allocation errors, and follow-up with individual businesses and the CDTFA to promote recovery by the City of back or prospective quarterly payments that may be owing.
- 2.4. If, during the course of its audit, Contractor finds businesses located in the City's jurisdiction that are properly reporting sales and use tax but have the potential for modifying their operation to provide an even greater share to City, Contractor may so advise City and collaborate with those businesses and City to encourage such changes.

3. Optional Consulting and Other Services

Contractor may from time to time in its sole discretion, consult with City's staff, including without limitation, regarding (i) technical questions and other issues related to sales and use tax, (ii) utilization of reports to enhance business license collection efforts; (iii) sales tax projections for proposed annexations, economic development projects and budget planning, (iv) negotiating/review of tax sharing agreements, (v) establishing purchasing corporations, (vi) meeting with taxpayers to encourage self-assessment of tax obligations, and (vii) other sales and use tax revenue-related matters. Any such optional consulting and other services shall be agreed to in writing in an amendment to this Agreement.

FEES

4. Sales and Use Tax and Economic Analysis/Forecasting Services/Reports

- 4.1. Fees for performing the Sales and Use Tax and Economic Analysis/Forecasting Services/Reports shall initially be **\$500.00** per month, commencing with the month of the Effective Date (hereafter referred to as "monthly fee"). The monthly fee shall be invoiced quarterly in arrears and shall be paid by City no later than 30 days after the invoice date.
- 4.2. Contractor's \$500 monthly fee may be adjusted, at the beginning of each Agreement year commencing on the second Agreement year, based on the 12-month percent change in the most recently published annual Consumer Price Index – WestUrban (CPI-WU), as reported by the U.S. Bureau of Labor Statistics (the "CPI Change") with the base month being that in which the Agreement is fully executed.

5. Sales and Use Tax Allocation and Audit Recovery Services

- 5.1. Fees for performing the Sales and Use Tax Allocation and Audit Recovery services shall be **15%** of all recovered sales and use tax revenue received by the City as a result, in whole or in part, of the allocation audit and recovery services. The 15% fee shall be paid quarterly and only after the Contractor has submitted evidence of Contractor's relevant allocation and audit recovery services in support thereof, including, without limitation, copies of relevant communications between Contractor and CDTFA and/or taxpayers; the City has received the revenue from the corrected sales and use tax revenue; and the quarterly distribution report has verified receipt of said revenue.
- 5.2. The fee shall be paid notwithstanding any related City assistance, work in parallel, and/or incurrence of attorneys' fees or other costs or expenses in connection, with the relevant Services.
- 5.3. The fee described above includes State fund transfers received for back quarter reallocations for up to three quarters and monies received in the first eight (8) consecutive reporting quarters following completion of Consultant's allocation audit and confirmation of the corrections by the CDTFA.

6. Optional Consulting and Other Services

- 6.1. Fees for performing the consulting and other optional Services described above shall be based on the following initial hourly rates: (i) Principal - \$325; (ii) Programmer - \$295; (iii) Senior Analyst - \$245; and (iv) Analyst - \$195.
- 6.2. Contractor may change the rates for its hourly Fees from time to time. A 30 days' prior written notice to City will be given.
- 6.3. Any such optional consulting and other services shall be agreed to in writing in an amendment to this Agreement.

7. General Provisions Relating to Fees

- 7.1. Fees for travel and lodging expenses will be invoiced at cost and applied to all meetings (including implementation, training, operations, and support). Travel expenses only apply to out of scope travel and must therefore be pre-approved by City.
- 7.2. The Sales and Use Tax and Economic Analysis/Forecasting Services/Reports \$500 fee (and applicable CPI adjustment) shall be invoiced quarterly in arrears and shall be paid by City no later than 30 days after the invoice date. The Sales and Use Tax Allocation and Audit Recovery Services fee of 15% shall also be invoiced quarterly in arrears and shall be paid no later than 30 days after complying with Section 5.1.

OTHER TERMS INCORPORATED INTO THE AGREEMENT

8. Confidentiality Information

Section 7056 of the State of California Revenue and Taxation Code ("R&T Code") specifically limits the disclosure of confidential taxpayer information contained in the records of the CDTFA. Section 7056 specifies the conditions under which a city, county or district may authorize persons other than such city, county or district's officers and employees to examine state sales and use tax records.

The following conditions specified in Section 7056-(b)(1) of the State of California R&T Code are hereby made part of this Agreement:

- 8.1. Consultant is authorized by this Agreement to examine sales, use or transactions and use tax records of the CDTFA provided to City pursuant to contract under the Bradley-Burns Uniform Local Sales and Use Tax Law R&T Code Section 7200 et.seq.
- 8.2. Consultant is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of City who is authorized by City resolution provided to the CDTFA to examine the information.
- 8.3. Consultant is prohibited from performing consulting services for a retailer (as defined in R&T Code Section 6015), during the term of this agreement.
- 8.4. Consultant is prohibited from retaining the information contained in or derived from those sales, use or transactions and use tax records after this agreement has expired.
- 8.5. Information obtained by examination of the CDTFA records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the City as set forth by resolution adopted pursuant to Section 7056(b) of the Revenue and Taxation Code. The resolution shall designate the Consultant as a person authorized to examine sales and use tax records and certify that this agreement meets the requirements set forth above and in Section 7056(b)(1) of the Revenue and Taxation Code.

8.6 Contractor certifies that it will comply with the requirements set forth in Section 7056 of the State of California Revenue and Taxation Code.

9. Software Use and Proprietary Information

Software Use. Contractor hereby provides authorization to City to access Contractor's Sales Tax website if City chooses to subscribe to the software and reports option. The website shall only be used by authorized City staff. No access will be granted to any third party without explicit written authorization by Contractor. City shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said software. The software use granted hereunder shall not imply ownership by City of said software, or any right of City to sell said software or the use of same, or any right to use said software for the benefit of others. This software use authorization is not transferable. Upon termination or expiration of the Agreement, the software use authorization shall expire, and all City staff website logins shall be de-activated.

Proprietary Information. As used herein, the term "proprietary information" means all information or material that has or could have commercial value or other utility in Contractor's business, including without limitation: Contractor's (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and (v) materials and techniques used. Except as otherwise required by law, City shall hold in confidence and shall not use (except as expressly authorized by the Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by City in connection with the Agreement. The obligations imposed by this Section shall survive any expiration or termination of the Agreement or otherwise. The terms of this section shall not apply to any information that is subject to the California Public Records Act (California Government Code § 6250 et seq.), California Civil Discovery Act (California Code of Civil Procedure § 2016.010 et seq.), and any other applicable law.

10. Data Protection

City Data. Contractor shall ensure there is no inappropriate or unauthorized use of City Data, including confidential and sensitive information, at any time by Contractor, officers, employees, or subcontractors. To this end, Contractor shall safeguard the confidentiality, integrity, and availability of City Data within its control using security technologies and techniques in accordance with standard industry practices for such data. In no event may Contractor's action or inaction result in any situation that is less secure than the security Contractor provides for its own systems and data.

Data Breach Responsibilities. This section only applies when there is a breach of City Data within the possession or control of Contractor. Contractor shall: (1) promptly notify City within 24 hours or sooner by telephone, unless shorter time is required by applicable law, if it confirms that there is or reasonably believes that there has been a data breach; (2) cooperate with the City as reasonably requested by the City to investigate and resolve the data breach and provide daily updates; (3) quarantine the data breach and ensure secure access to City Data; (4) promptly implement necessary remedial measures; and (5) document responsive actions taken related to the data breach.

Data Location and Ownership. To the extent applicable, the Contractor shall provide its services to the City and its end users solely from data centers in the continental United States. Storage of City Data at rest shall be located solely in data centers in the United States. Contractor will notify the City of any plans to relocate its hosted services to another data center. Contractor shall not allow personnel or subcontractors to store City Data on portable devices, including personal computers, except for devices

that are used and kept only at its U.S. data centers. The City will own all right, title and interest in City Data that is related to the services provided by the Agreement.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING HINDERLITER, DE LLAMAS & ASSOCIATES AS THE CONSULTANT AUTHORIZED TO EXAMINE SALES AND USE TAX RECORDS OF THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION ON THE CITY'S BEHALF

WHEREAS, the California Department of Tax and Fee Administration (CDTFA) administers and collects the California Sales and Use Taxes; and

WHEREAS, pursuant to Ordinance No. 1160, the City of Carlsbad entered into a contract with the CDTFA to perform all functions incident to the administration and collection of sales and use taxes; and

WHEREAS, pursuant to California Revenue and Taxation Code Section 7056, the City of Carlsbad, by resolution, may designate any officer, employee or any other person to examine all of the sales and use tax records of the CDTFA pertaining to sales and use taxes collected for the city; and

WHEREAS, the City of Carlsbad's Finance Director and Finance Manager, or other officer or employee of the city designated in writing by the City Manager to the California Department of Tax and Fee Administration are hereby appointed to represent the city with authority to examine sales or transactions and use tax records of the California Department of Tax and Fee Administration pertaining to sales and use taxes collected for the city pursuant to the contract between the city and the California Department of Tax and Fee Administration; and

WHEREAS, the City of Carlsbad has entered into an agreement for sales tax audit, analysis, and reporting services with Hinderliter, de Llamas & Associates, and therefore must designate Hinderliter, de Llamas & Associates as the authorized consultant to examine such sales tax records maintained by the California Department of Tax and Fee Administration on behalf of the city; and

WHEREAS, California Revenue and Taxation Code Section 7056(b)(2) further provides that information obtained by examination of California Department of Tax and Fee Administration records may be used only for purposes related to the collection of the local or district tax pursuant to the contract, or for purposes related to other governmental functions of the city; and

WHEREAS, California Revenue and Taxation Code Section 7056.5 establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the California Department of Tax and Fee Administration.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. In all respects as set forth above, the City Council of the City of Carlsbad hereby certifies to the California Department of Tax and Fee Administration that Hinderliter, de Llamas & Associates is the designated representative of the City of Carlsbad to examine sales and use tax records of the California Department of Tax and Fee Administration pertaining to sales and use taxes collected on the city's behalf; and
3. That the city has entered into an agreement with Hinderliter, de Llamas & Associates (Consultant) which meets all of the following conditions:
 - a. Consultant has an existing contract with the city to examine sales and use tax records;
 - b. Consultant is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of the city who is authorized by resolution to examine the information;
 - c. Consultant is prohibited by that contract from performing consulting services for a retailer during the term of the contract; and
 - d. Consultant is prohibited by that contract from retaining the information contained in, or derived from, those sales or transactions and use tax records after the contract has expired.
4. That the City of Carlsbad's Finance Director and Finance Manager, or other officer or employee of the city designated in writing by the City Manager to the California Department of Tax and Fee Administration are appointed to represent the city with authority to examine sales or transactions and use tax records of the California Department of Tax and Fee Administration pertaining to sales and use taxes collected for the city pursuant to the contract between the City of Carlsbad and the California Department of Tax and Fee Administration; and
5. That the city shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



CITY COUNCIL Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Sheila Cobian, Legislative & Constituent Services Director
sheila.cobian@carlsbadca.gov, 442-339-2917

Subject: City Council Code of Ethics and Public Service Values

Districts: All

Recommended Action

Adopt a resolution affirming the City Council Code of Ethics and Public Service Values as proposed at the regular City Council meeting held on July 16, 2024.

Executive Summary

The City Council adopted a Code of Ethics and Public Service Values on Nov. 16, 2021. As part of its approval, the City Council directed staff to place the code on the City Council's agenda each year to provide an opportunity to review and discuss and revisit the code if appropriate.

The City Council reviewed the code at a regular meeting on July 16, 2024, and voted unanimously to approve the code as proposed, including the added language to the Value: Responsibility to reflect guidelines relating to City Council members' use of city letterhead. Staff are now presenting a resolution (Exhibit 1) for the City Council to affirm the Code of Ethics and Public Service Values.

All City Council members will be asked to sign the code following adoption of the resolution. The code will then be made available on the city's website.

Explanation & Analysis

Carlsbad's City Council Code of Ethics & Public Service Values are based on the belief that public officials must have the trust and respect of their communities they serve for democratic institutions to be effective. The code is intended to:

- Encourage the highest standards of behavior by City of Carlsbad elected officials
- Make implicit norms of leadership and communication explicit
- Provide an ongoing source of guidance to City of Carlsbad officials in their day-to-day service to the city

The code established four public service values for the City Council:

- Respect
- Responsibility
- Compassion and Fairness
- Integrity

The complete statement of ethics and values is provided as Attachment A to Exhibit 1.

Fiscal Analysis

This action has no financial impact.

Next Steps

Staff will obtain the signatures of all City Council members on the Code of Ethics and make it available on the City Council web page.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. City Council resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AFFIRMING THE CITY COUNCIL CODE OF ETHICS AND PUBLIC SERVICE VALUES AS PROPOSED AT THE REGULAR CITY COUNCIL MEETING HELD ON JULY 16, 2024

WHEREAS, on June 23, 2019, the City Council adopted Resolution No. 2019-133 creating the ad hoc Carlsbad Municipal Code and City Council Policy Update Subcommittee (Subcommittee) to assist staff with a comprehensive update to the Carlsbad Municipal Code; and

WHEREAS, the Subcommittee recommended that the full City Council hold a workshop to discuss and develop a City Council Code of Ethics; and

WHEREAS, on May 6, 2021, the City Council held a facilitated workshop to discuss communication, leadership and ethics; and

WHEREAS, on June 29, 2021, the City Council held a second facilitated workshop to finalize the components of a City Council Code of Ethics and Public Service Values; and

WHEREAS, the City Council agreed that approving a City Council Code of Ethics and Public Service Values would:

- Encourage the highest standards of behavior by the City of Carlsbad elected officials
- Make implicit norms of leadership and communication explicit
- Provide an ongoing source of guidance to City of Carlsbad officials in their day-to-day service to the City of Carlsbad

WHEREAS, on Nov. 16, 2021, the City Council adopted Resolution No. 2021-253 approving a City Council Code of Ethics and Public Service Values; and

WHEREAS, the adopted City Council Code of Ethics and Public Service Values requires annual review by the City Council; and

WHEREAS, the City Council reviewed the City Council Code of Ethics and Public Service Values at a regular meeting held July 16, 2024, and voted unanimously to approve the City Council Code of Ethics and Public Service Values as presented including the proposed language added to the Value: Responsibility to reflect guidelines relating to City Council members' use of City letterhead.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.

2. That the City of Carlsbad City Council Code of Ethics and Public Service Values (Attachment A) is affirmed and approved.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

City of Carlsbad

City Council Code of Ethics & Public Service Values

Preamble

The effective operation of democratic institutions requires that public officials have the trust and respect of the communities they serve. Accordingly, the City Council of the City of Carlsbad has adopted this code to:

- Encourage the highest standards of behavior by City of Carlsbad elected officials;
- Make implicit norms of leadership and communication explicit; and
- Provide an ongoing source of guidance to City of Carlsbad officials in their day-to-day service to the City.

To this end, the City of Carlsbad City Council has adopted this code relating to values-based decision-making. As part of their service to the City of Carlsbad, individual City Council Members agree to practice the values described in this code in their day-to-day service to the City of Carlsbad.

The City Council further directs that this code be:

- Distributed to individual City Council Members for signature and, once signed, posted on the City Council section of the city website;
- Included in the materials provided to candidates for City Council;
- Covered in newly elected officials' orientation materials and training (including AB 1234 training); and
- Agendized for discussion annually as an opportunity for City Council review, self-evaluation, discussion, and revision, if appropriate.

Adopted by the City of Carlsbad City Council on Nov. 16, 2021.

Affirmed by the City of Carlsbad City Council on July 11, 2023.

Affirmed by the City of Carlsbad City Council on Aug. 20, 2024.

Value: Respect

1. As a leader of the community, I **model civility**. In practice, this means that:
 - I treat my fellow officials, staff and the public politely, professionally and with an appreciation for our common humanity, even when we disagree on what is best for the community.
 - When I explain my disagreement with a colleague or City Council decision to others, I do so in a way that focuses on the merits of an issue and recognizes that reasonable people of differing interests and/or good intentions can disagree on what is best for our community.
 - When my perspective doesn't prevail, in discussing the outcome in the community, I frame my colleagues' differing positions in the spirit of moving onward from the decision and in the same way I would want my colleagues to frame my own differing positions.
 - I contribute to a culture and practice of active acknowledgement by recognizing colleagues and persons who model values-based decision-making under challenging circumstances.
 - I refer to my colleagues on the City Council by their formal city titles (for example, "Council Member," "Mayor," etc.), and/or appropriate gender pronouns unless an individual has expressed a preference for an alternative title (for example, "Reverend," "Dr.," etc.)

2. I **invite and respect public input** to inform my sense of what is in the community’s best interests and incorporate it in the decision-making process to ensure meaningful public engagement. In practice, this means that:
 - I am attentive and engaged in meetings.
 - I welcome diverse perspectives and consider them in my decision-making.
 - I act in ways that help people feel valued when they participate in our city’s decision-making processes.
 - As an elected official, I gather public input and information to make the best decision with a spirit of curiosity and inquiry.
 - I involve all appropriate stakeholders and the public in general in meetings affecting city decisions.
 - I strive to make people feel heard, by listening carefully, sharing what I think I have heard, asking clarifying questions, and seeking to understand the interests underlying their positions.

3. My actions reflect the belief that **elected officials, city staff and others who serve the agency are on the same team** in service to the community, even though we have different roles. In practice, this means that:
 - I act on the understanding that staff’s role is to provide objective information and analysis to inform the decision-making process within the resources that they have available, even if this information and analysis don’t support the decision I believe is best.
 - When I know I will be asking one or more questions on an agenda item, I alert the City Manager or City Attorney as appropriate in advance so staff can be prepared to provide the most complete answer to inform both the City Council and the public.
 - I ask questions to authentically deepen my understanding of staff analysis and its factual underpinnings, as well as inform the public; I argue the merits of decisions with my fellow City Council Members.
 - I communicate any concerns I have about city functions, staff analyses or individual staff performance to and through the city manager.
 - I act on the understanding that I am part of a group decision-making process and that staff take direction from City Council collective action.

Value: Responsibility

1. I **model and promote clear communication**. In practice, this means that:
 - I support defining important words, terms, and context, avoiding jargon (including use of acronyms) and using examples.
 - I ask questions to test any inferences and assumptions I may be inclined to make based on what I am hearing people say; I support others doing likewise.

- I am direct and transparent in explaining my reasoning, interests, goals and intentions to help others understand what I am saying and why. I contribute to an interpersonal environment that supports such transparency and forthrightness from others to help move conversations forward with the goals of finding common ground and maximizing the public’s best interests.
 - I verify (fact check) statements reportedly made by a colleague directly with that colleague.
 - I make myself available for one-on-one conversations about the values in this code.
 - I am transparent and publicly disclose relevant information.
2. I **work collaboratively** to improve our community’s quality of life and promote the public’s best interests. In practice, this means that:
- I gain value from diverse perspectives and consider them in my decision-making.
 - I recognize that I am an agent for the democratic process, not the owner of authority.
 - I seek information from community members and my colleagues about what qualities an acceptable solution might have to a problem (their interests), in addition to hearing what their positions are.
3. I **consider the larger picture** in my decision-making and actions. In practice, this means that:
- I consider the short-, medium-, and long-term effects of my decisions and actions.
 - I strive to foster effective relationships with state, regional and other public agencies and their officials.
4. I am **accountable** for my actions and words. In practice, this means that:
- I am prepared to make unpopular decisions when my sense of the public’s best interests requires it.
 - I take responsibility for my actions, even when it is uncomfortable to do so. This includes apologizing when I realize that my behavior has fallen short of the aspirational standards in this code.
 - As part of my commitment to growth and learning, I am open to constructive feedback from my colleagues and others—ideally first expressed on a human-to- human (one-on-one) basis—when they think I may have acted in a way that falls short of my goal of the values-based decision-making and the behaviors described in this code.
 - I keep open communication with my fellow City Council members when speaking or making presentations in other City Council members’ districts.
 - I will review these code provisions with my colleagues at least annually, looking for opportunities to refine, improve and/or update the provisions given current developments and dynamics.
5. I **adhere** to the following guidelines for **using city-issued letterhead**:
- I will be issued city letterhead for my use in my position as an elected official.

- If I use city letterhead to speak on a topic that is not consistent with the city’s legislative position, I shall indicate clearly and conspicuously that I am speaking on my own behalf and not on behalf of the city.
- Staff review of my correspondence is optional.
- If I am using city letterhead to speak on my own behalf, I will be responsible for sending out my own correspondence.
- I may use my city-issued letterhead to issue congratulatory letters.
- I may not use city-issued letterhead for political or personal purposes.
- I am responsible for self-policing adherence to these guidelines.

Values: Compassion and Fairness

1. I am **empathetic and care about** the needs of the public, my colleagues and staff. In practice, this means that:

- When interacting with others, I put myself in others’ shoes, understanding that people have different lived experiences.
- I am sensitive that those interacting with public officials, whether staff or community members, can be intimidated by public officials and public agency processes. I try to make interactions with the City Council as stress-free as possible.
- My actions reflect an awareness that people respond to both verbal (including tone of voice) and non-verbal cues; I also recognize that some people, including me, can interpret verbal and non-verbal cues differently, depending on the attributes of the source.
- I use active listening techniques (repeating back, follow-up questions, taking notes as appropriate, and other verbal and non-verbal cues) to demonstrate that I am hearing and listening to what people are saying.
- I carefully consider all colleague’s and public’s perspectives and input when making decisions.
- I value the personal experiences that contribute to my colleagues’ and the public’s views on a given matter.
- I initiate one-on-one conversations with those who have different positions on issues to better understand those positions; I look for opportunities to identify shared values and interests.
- I view the opportunity to provide feedback to my colleagues relating to values-based decision-making—ideally first on a human-to-human (one-on-one) basis—as opportunities for mutual understanding, growth and learning.
- I understand that everyone makes mistakes and, in the spirit of collegiality, I accept apologies when they are offered. I set aside grudges that may be tempting to hold.
- I look for opportunities to celebrate generative, positive examples of the application of this code.

2. I **embrace** our community’s and city team’s **diversity**. In practice, this means that:

- I consider the diversity, equity and inclusion implications of policy decisions I make.

- I participate in regular educational activities to enhance my insights into a wide variety of diversity, equity and inclusion issues.
3. I promote **fair and consistent processes**. In practice, this means that:
- I make decisions on policies, hiring and contracting prioritizing merit and value to the community and equitable practices rather than favoritism and/or family or personal relationships.
 - I honor the law's and the public's expectation that city policies will be applied consistently.
 - I am impartial in my decision-making and do not favor those who either have helped me (or are in a position to do so) and disfavor those who have not (or are not).
 - I make it a practice to communicate equitably with members of the community, irrespective of their influence, power or campaign donations.
 - I make a conscious effort to avoid favoritism or bias (including unintended bias) in my actions and decisions.

Value: Integrity

1. I am **truthful** with my colleagues, the public and others. In practice, this means that:
- I carefully consider any promise I make and then I keep it; I make only promises I believe are realistic.
 - I treat information I receive with a spirit of inquiry and presumed positive intent; I fact-check information as necessary with colleagues, staff and others.
 - I honor commitments I and my agency make.
 - I credit others' contributions to moving our community's interests forward.
 - I only disclose confidential information when I am authorized to do so.
 - I explain the official positions of the city to the best of my ability when I am authorized to do so. I am clear in stating my own views that these views may or may not represent the city's position.
2. My **actions** are **consistent with my words**. In practice, this means that:
- I follow through on the commitments I make.
 - Building and maintaining trust is an ongoing process. I act in ways that promote the public's trust in both 1) the city as an expression of community democratic processes and 2) my own role as a member of the city's governing body.
3. I **comply with both the letter and the spirit of** laws that are designed to promote public trust and confidence in our agency's decision-making. In practice, this means that:
- I demonstrate, by my actions and my words, that I am a guardian of the public's trust and confidence in the city, its elected officials and staff.
 - I use public resources for public purposes, not for private benefit or political purposes.

Carlsbad City Council Code of Ethics & Public Service Values

Aug. 20, 2024

- I decline and do not seek gifts, favors, and other special treatment.
- I make decisions based on my sense of the public’s best interests. In so doing, I am mindful of the nonpartisan nature of city, county, school and judicial offices provided for in California’s Constitution.

City Council Member Signatures:

Mayor Blackburn

City Council Member Bhat-Patel

City Council Member Acosta

City Council Member Burkholder

City Council Member Luna



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: David Rick, Associate Engineer
 david.rick@carlsbadca.gov, 442-339-2758

Subject: Summary Vacation of Relinquishment of Access Rights over a Portion of Lot 3 of Subdivision Map No. 14962 Located on Whiptail Loop (VAC2023-0001)

District: 2

Recommended Action

Adopt a resolution approving a summary vacation of a relinquishment of access rights over a portion of Lot 3 of Subdivision Map No. 14962 located on Whiptail Loop.

Executive Summary

Access rights are conditions placed on developments in the planning process to establish where driveways can be located along public roads and, in some instances, developers relinquish the right to access certain areas where driveways cannot be built.

The developer of three industrial buildings at 2750, 2762, and 2774 Whiptail Loop wants to relocate a driveway and has asked the city to give up part of the relinquishment of access rights that was established when the property was subdivided.

The request requires the City Council's approval because California Streets and Highway Code Section 8333(c) gives the City Council the authority to act on summary vacation requests.

Explanation & Analysis

As a part of a site development plan permit application, the developer has proposed to relocate the property's driveway access from where it was initially shown on subdivision Map No. 14962 to a slightly different location.

The subdivider relinquished access to an area along the front of the property in the original development process, and vehicle access to the property in those locations was not allowed. The new driveway is to be in a 40-foot-wide portion of that area.

The City Planner approved a site development permit for the project on Oct. 31, 2022. (Exhibit 3) The site development plan proposed that the property's existing driveway be relocated to provide better access to the site, considering the building's design and layout on the property.

The new driveway location does not conflict with neighboring driveways, provides clear visibility for drivers exiting the property and for drivers approaching the driveways and has been found to comply with all city engineering standards.

The approved site development plan permit included a condition of approval requiring the applicant to process a vacation of relinquishment of access rights associated with the original development approvals.

Section 8333(c) of the California Streets and Highways Code states that a public easement may be summarily vacated if the easement has been superseded by relocation and there are no public facilities located within the easement. The proposed vacation complies with this requirement, so city staff are recommending that the City Council approve the summary vacation of relinquishment of access rights. Staff have not identified any drawbacks in approving this request.

Fiscal Analysis

All fees necessary to process this summary vacation have been paid by the owner in accordance with the city's fee ordinance.

Next Steps

The City Clerk will record this resolution, including all required recording documents, in the Office of the County Recorder of San Diego County. The relinquished access rights will be considered summarily vacated on the date this resolution is recorded by the County Recorder's Office.

Environmental Evaluation

The City Planner has determined that, in accordance with California Environmental Quality Act Guidelines Sections 15168(c)(2) and (e), the project is a subsequent activity of the Carlsbad Raceway, a project for which a mitigated negative declaration was prepared.

This activity is within the scope of the program approved earlier and the program report adequately describes the activity for the purposes of CEQA. This project is consistent with the specific plan cited above and the project has no new significant environmental effects not analyzed as significant in the prior environmental impact report, so no further environmental review is required.

Exhibits

1. City Council resolution
2. Location map
3. Site development permit

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A SUMMARY VACATION OF A RELINQUISHMENT OF ACCESS RIGHTS OVER A PORTION OF LOT 3 OF SUBDIVISION MAP NO. 14962 LOCATED ON WHIPTAIL LOOP

WHEREAS, the City Council of the City of Carlsbad, California has determined that Carlsbad Oaks North Ventures LP, A California limited partnership, owner of property described as Lot 3 of Carlsbad Tract No. 97-13-1, Carlsbad Oaks Phase 1, in the City of Carlsbad, County of San Diego, State of California, according to Map No. 14926, filed in the Office of the County Recorder of San Diego County, Dec. 15, 2004, has filed an application to vacate a portion of relinquishment of access rights along the street frontage of Lot 3 of subdivision Map No. 14926; and

WHEREAS, the City Planner on Oct. 31, 2022, approved SDP2021-0016 for the development of three (3) light industrial buildings totaling 67,714 square feet on said Lot 3; and

WHEREAS, the letter of approval dated Oct. 31, 2022, for SDP 2021-0016 included Engineering Condition No. 35 which contemplated the vacation of a portion of the relinquished access rights along the street frontage of said Lot 3; and

WHEREAS, the City Engineer has determined that the vacated portion of the relinquished access rights aligned with said driveway is not needed for present or future street purposes; and

WHEREAS, this vacation is made pursuant to Section 8333(C) of the California Streets and Highways Code; and

WHEREAS, the relinquishment of access rights is not useful as a non-motorized transportation facility; and

WHEREAS, the proposed vacation is in accordance with growth management policies and is consistent with the city's General Plan; and

WHEREAS, the City Council of the City of Carlsbad has determined it to be in the public interest to vacate said easement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That it is City Council's said intention to vacate a portion of the relinquishment of access rights along the street frontage of Lot 3 of Map No. 14926.

3. That pursuant to Division 9, Part 3, Chapter 4 of the California Streets and Highways Code, said excess easement more particularly described in Attachment A and shown for the sake of clarity in Attachment B, shall be summarily vacated.
4. The City Clerk is directed to record this resolution, the attached legal description and plat in the Office of the County Recorder of San Diego County.
5. That upon recordation of this Resolution at the County Recorder's Office, this easement no longer contributes as a public street or public service easement.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024 by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)


EXHIBIT "A"

VAC 2023-0001

LEGAL DESCRIPTION

BEGINNING AT THE SOUTHEAST CORNER OF LOT 3 OF CARLSBAD TRACT NO. 97-13-1, CARLSBAD OAKS NORTH PHASE 1, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 14926, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON DECEMBER 15, 2004, SAID CORNER BEING A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF WHIPTAIL LOOP (84.00 FEET WIDE); THENCE NORTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE NORTH 11°33'31" WEST 122.35 FEET TO THE **TRUE POINT OF BEGINNING** FOR THE 40.00 FOOT WIDE ACCESS VACATION; THENCE CONTINUING NORTH 11°33'31" WEST 40.00 FEET TO THE END OF SAID ACCESS VACATION.

ATTACHED HERETO IS A DRAWING LABELLED EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.



RAMON J. SPEAR L.S.6404 6/05/2024

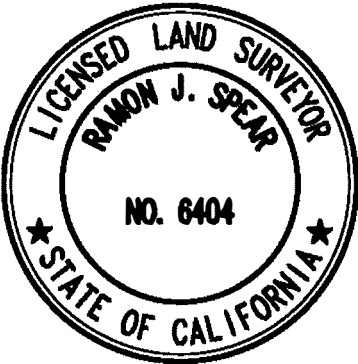


EXHIBIT "B"

Attachment B

LOT 23
MAP NO. 16145






N84°35'16"E 280.24'

$\Delta=3^{\circ}10'04''$
R=786.00'
L=43.46'

MAP LOT 24
NO. 16145

LEGEND

-  ACCESS RIGHTS RELINQUISHED AS DEDICATED PER MAP NO. 14926
-  VACATION OF RELINQUISHED ACCESS RIGHTS
-  EXISTING ACCESS OPENING PER MAP NO. 14926

P.O.B. POINT OF BEGINNING

LOT 3
MAP NO. 14926

LOT 12 - OPEN SPACE
MAP NO. 14926

LOT 4
MAP NO. 14926

WHIPTAIL

LOOP

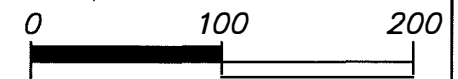
CARIBOU COURT

N52°15'W 435.01'

N53°07'01"W 141.99'

40.00' ACCESS VACATION

P.O.B. S.E. COR. LOT 3



SCALE: 1" = 100'



JUNE 5, 2024
DATE

$\Delta=106^{\circ}57'31''$
R=150.00'
L=280.02'

110.85'
S70°57'48"W

(A)

OWNER: CARLSBAD OAKS NORTH VENTURES LP
SITE ADDRESS: WHIPTAIL LOOP, CARLSBAD, CA 92010

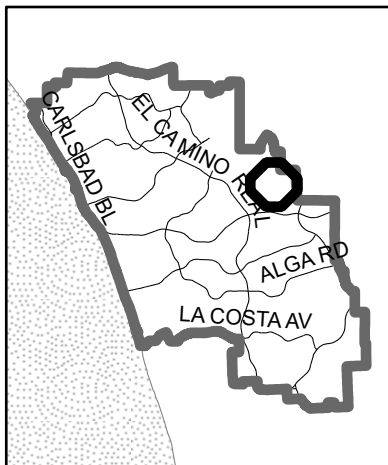
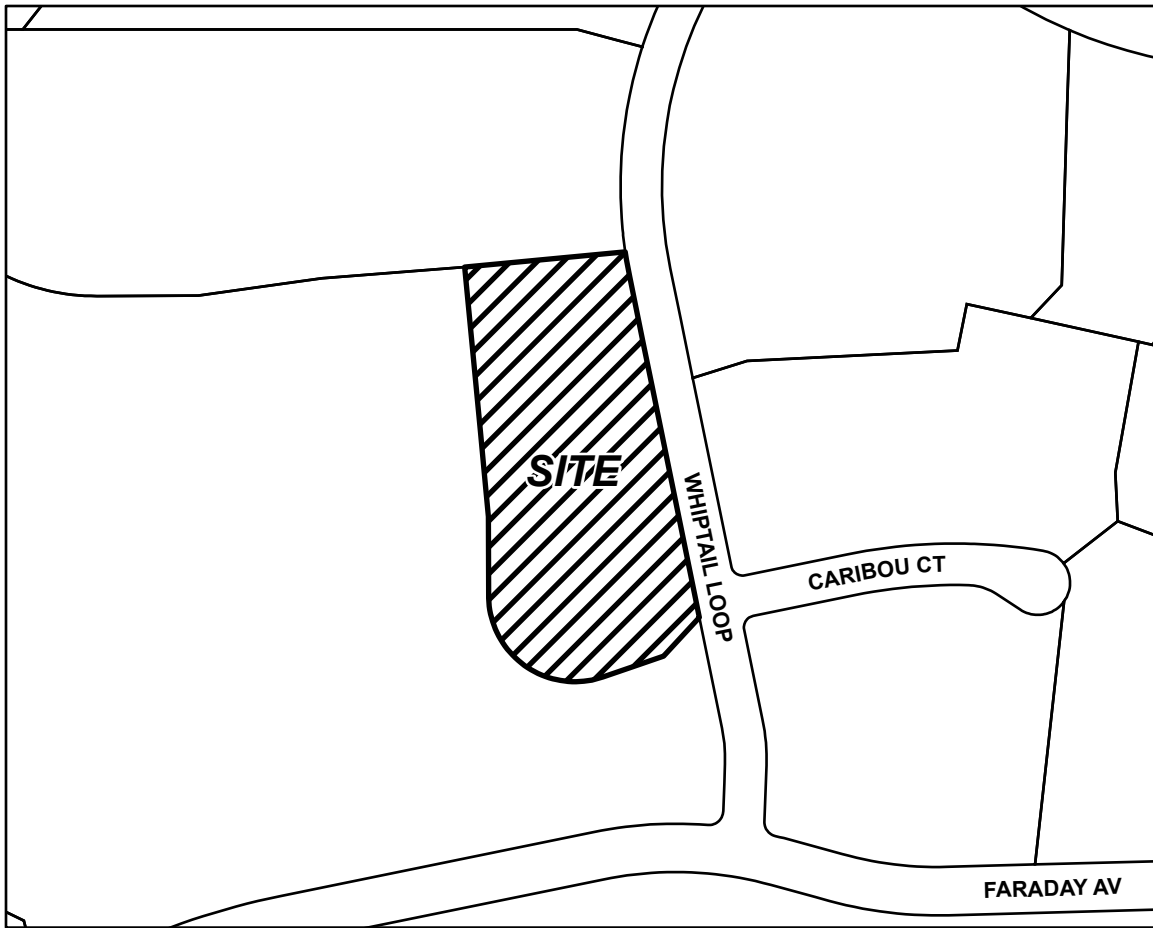
ENGINEER: SPEAR & ASSOCIATES, INC. 475 PRODUCTION ST., SAN MARCOS, CA 92078
(760) 736-2040 WWW.SPEARINC.NET

CITY OF CARLSBAD
LAND DEVELOPMENT ENGINEERING
VACATION OF ACCESS
PLAT

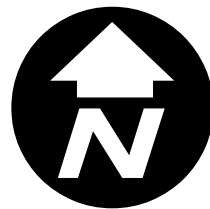
APN# 209-120-02
Aug. 20, 2024

FILE # VAC 2023-0001

DATE: 6-5-24 SHEET 1 OF 1
Item #4 Page 6 of 18



SITE MAP



NOT TO SCALE

Exhibit 2

VAC2023-0001



October 31, 2022

 **FILE COPY**

RAUL GUZMAN
THE TECHBUILT COMPANIES
3575 KENYON STREET, SUITE 200
SAN DIEGO, CA 92110

SUBJECT: **SDP 2021-0016 (DEV2021-0137) – CARLSBAD OAKS NORTH, LOT 3** – Request for approval of a Minor Site Development Plan, SDP 2021-0016, for the development of three (3) light industrial buildings totaling 67,714 square feet. Specifically, a total of 20,000 square feet of office, 40,000 square feet of manufacturing, and 7,714 square feet of warehouse uses are proposed. The subject property is located on the west side of Whiptail Loop and identified as Lot 3 of the Carlsbad Oaks North Specific Plan (SP 211/CT 97-13), in the Planned Industrial (P-M) Zone and Local Facilities Management Zone 16.

Dear Mr. Guzman,

The City Planner has completed a review of your application for a Minor Site Development Plan, SDP 2021-0016, located on the west side of Whiptail Loop and identified as Lot 3 of the Carlsbad Oaks North Specific Plan (SP 211/CT 97-13). A notice was sent to property owners within a 300-foot radius of the subject property requesting comments regarding the above request. Comments were received within the ten-day notice period (ending on December 9, 2021) and a request for an Administrative Hearing was filed. On January 11, 2022, the City Planner held an Administrative Hearing to consider said request. Public testimony **was** given. After careful consideration of the evidence presented at the Administrative Hearing, the City Planner has made a decision pursuant to Section 21.06.070 of the City of Carlsbad Municipal Code to **approve** this request based on the following findings and subject to the conditions listed below.

Findings:

Site Development Plan, SDP 2021-0016

1. That the proposed development or use is consistent with the general plan and any applicable master plan or specific plan, complies with all applicable provisions of Chapter 21.06 of the Carlsbad Municipal Code, and all other applicable provisions of this code; in that **the project consists of the development of three (3) light industrial office buildings totaling approximately 67,714 square feet (20,000 SF of office, 40,000 SF of manufacturing, and 7,714 SF of warehouse uses). Surface parking for 189 vehicles (188 required) and 21 bicycles will be provided, along with 5,000 square feet of outdoor employee eating areas, perimeter and parking lot landscape, retaining walls, drainage facilities and other ancillary improvements necessary to develop the project on the existing 5.18-acre previously graded site located at Lot 3 of the Carlsbad Oaks North Specific Plan (SP 211).**

The proposed office, manufacturing, and warehouse uses are consistent with the Planned Industrial (PI) General Plan Land Use and the Planned Industrial (P-M) zoning designations for the site. All roadways and improvements necessary to serve the development exist, and no additional improvements are required. The project is located outside the 60 dBA CNEL noise contour of the McClellan-Palomar Airport.

2. That the requested development or use is properly related to the site, surroundings and environmental settings, will not be detrimental to existing development or uses or to development or uses specifically permitted in the area in which the proposed development or use is to be located, and will not adversely impact the site, surroundings or traffic circulation; in that **the project consists of the development of three (3) light industrial buildings (67,714 sq. ft.) for office, manufacturing and warehouse uses, with surface parking for 189 vehicles and 21 bicycles, outdoor (5,000 sq. ft.) employee eating areas, perimeter and parking lot landscape, retaining walls, drainage facilities and other ancillary improvements necessary to develop the project on the existing 5.18-acre previously graded site located at Lot 3 of the Carlsbad Oaks North Specific Plan (SP 211). The project site is surrounded by vacant Planned Industrial (P-M) zoned property to the north and east, and Open Space (OS) zoned property to the south and west. The proposed office, manufacturing, and warehouse uses are consistent with the Planned Industrial (PI) General Plan Land Use and Planned Industrial (P-M) Zoning designations for the site; all roadways and improvements necessary to serve the development exist, and no additional improvements are required; and the project is located outside the 60 dBA CNEL noise contour of the McClellan-Palomar Airport. The project will not adversely impact the site, surroundings, or traffic circulation in that the project complies with all applicable development standards included in SP 211 and the P-M Zone; and the existing surrounding streets, which are fully improved, have adequate capacity to accommodate the 392 Average Daily Trips (ADT) generated by the project as previously analyzed in the Carlsbad Oaks North Specific Plan Final Environmental Impact Report (EIR 98-08).**
3. That the site for the intended development or use is adequate in size and shape to accommodate the use; in that **the project complies with all development standards of the Planned Industrial (P-M) Zone (Chapter 21.34 of the Carlsbad Municipal Code) and the Carlsbad Oaks North Specific Plan (Development Standards & Design Guidelines), including setbacks, building coverage, employee eating, landscaping, parking, and height restrictions.**
4. That all of the yards, setbacks, walls, fences, landscaping, and other features necessary to adjust the requested development or use to existing or permitted future development or use in the neighborhood will be provided and maintained; in that **the three (3) light industrial buildings for office, manufacturing, and warehouse uses, surface parking, employee eating areas, perimeter and parking lot landscape, retaining walls, drainage facilities and other ancillary improvements can all fit within the developable area, and that all applicable development standards of the Planned Industrial (P-M) Zone (Chapter 21.34 of the Carlsbad Municipal Code), including the Carlsbad Oaks North Specific Plan (Development Standards & Design Guidelines), have been met. Parking and loading areas are screened through the combined use of building orientation and landscaping. Adequate vehicle circulation has been provided to accommodate truck turning movements and emergency vehicle access. Access to the site will be provided via a singular driveway on Whiptail Loop. Pedestrian connection to the existing sidewalk on Whiptail Loop has been provided via a sidewalk near the project entrance.**

5. That the street system serving the proposed development or use is adequate to properly handle all traffic generated by the proposed use; in that **the proposed project, consisting of three (3) light industrial buildings for office, manufacturing, and warehouse uses are consistent with the uses analyzed in the circulation analysis prepared for the Final Environmental Impact Report (EIR 98-08) for the Carlsbad Oaks North Specific Plan (SP 211). The existing surrounding streets, which are fully improved, have adequate capacity to accommodate the 392 Average Daily Trips (ADT) generated by the project.**

General

6. That the **City Planner** finds that the project, as conditioned herein, is in conformance with the Elements of the city's General Plan and the **Carlsbad Oaks North Specific Plan (SP 211)**, in that **office, manufacturing, and warehouse uses are consistent with the Planned Industrial (PI) General Plan Land Use designation and Planned Industrial (P-M) Zoning for the site; the development project meets all applicable development standards of the P-M Zone and SP 211; all roadways and improvements necessary to serve the development exist, and no additional improvements are required; and the project is located outside the 60 dB(A) CNEL noise contour of the McClellan-Palomar Airport.**
7. That the project is consistent with the City-Wide Facilities and Improvements Plan, the Local Facilities Management Plan for **Zone 16** and all city public facility policies and ordinances. The project includes elements or has been conditioned to construct or provide funding to ensure that all facilities and improvements regarding: sewer collection and treatment; water; drainage; circulation; fire; schools; parks and other recreational facilities; libraries; government administrative facilities; and open space, related to the project will be installed to serve new development prior to or concurrent with need.

Specifically,

- A. The project has been conditioned to provide proof from the Carlsbad Unified School District that the project has satisfied its obligation for school facilities.
 - B. The Public Facility fee is required to be paid by Council Policy No. 17 and will be collected prior to the issuance of building permit.
 - C. The Local Facilities Management fee for **Zone 16** is required by Carlsbad Municipal Code Section 21.90.050 and will be collected prior to issuance of building permit.
 - D. **A growth management park fee of \$0.40 per square foot of non-residential development will be collected at the time of building permit issuance. This fee will be used to construct recreational facilities to offset demand created by employees within Local Facilities Management Zone 16.**
8. That the project is consistent with the city's Landscape Manual and Water Efficient Landscape Ordinance (Carlsbad Municipal Code Chapter 18.50).

9. The project is consistent with the adopted Airport Land Use Compatibility Plan for the McClellan-Palomar Airport (ALUCP), adopted January 25, 2010, and amended on March 4, 2010, and December 1, 2011, **in that neither structure nor any protrusion will exceed a total elevation of 548 feet above mean sea level within the airport influence area, and thus will not create any obstructions of navigable air space.** In addition, the project is compatible with the projected noise levels of the ALUCP; and, based on the noise/land use compatibility matrix of the ALUCP, the proposed land use is compatible with the airport, in that **the property is not located within any noise contours greater than 60 dB(A) CNEL as created by airport operations and that office, manufacturing, and warehouse uses are considered to be compatible uses in Safety Zone 6 without any additional conditions or limitations placed upon them.**

10. The City Planner has determined that:
 - a. The project is a subsequent activity of the **Carlsbad Oaks North Specific Plan (SP 211)**, a project for which a program EIR was prepared, and this activity is within the scope of the program approved earlier, and that the program EIR adequately describes the activity for the purposes of CEQA); [15168(c)(2) and (e)]; and
 - b. This project is consistent with the **Specific Plan** cited above; and
 - c. The **Carlsbad Oaks North Specific Plan Final EIR 98-08** was certified by the City Council on **October 8, 2002**, in connection with the prior project or plan; and
 - d. The project has no new significant environmental effect not analyzed as significant in the prior **EIR**; and
 - e. None of the circumstances requiring a Subsequent **EIR** or a Supplemental EIR under CEQA Guidelines Sections 15162 or 15163 exist; and
 - f. All feasible mitigation measures or project alternatives identified in the **EIR 98-08**, which are appropriate to this Subsequent Project, have been **completed**, incorporated into **the project design, or are required as conditions of approval** for this Subsequent Project.

11. That the request for a Minor Site Development Plan was adequately noticed at least ten (10) calendar days before the date of this decision pursuant to Section 21.54.060 of the Carlsbad Municipal Code.

12. The City Planner has reviewed each of the exactions imposed on the Developer contained in this approval letter, and hereby finds, in this case, that the exactions are imposed to mitigate impacts caused by or reasonably related to the project, and the extent and the degree of the exaction is in rough proportionality to the impact caused by the project.

Conditions:

NOTE: Unless otherwise specified herein, all conditions shall be satisfied prior to **issuance of a grading permit or building permit, whichever occurs first.**

1. Approval is granted for **SDP 2012-0016** as shown on Exhibits **"A" – "AA"** dated **October 31, 2022**, on file in the Planning Division and incorporated herein by reference. Development shall occur substantially as shown unless otherwise noted in these conditions.
2. If any of the following conditions fail to occur, or if they are, by their terms, to be implemented and maintained over time, if any of such conditions fail to be so implemented and maintained according to their terms, the City shall have the right to revoke or modify all approvals herein granted; deny or further condition issuance of all future building permits; deny, revoke, or further condition all certificates of occupancy issued under the authority of approvals herein granted; record a notice of violation on the property title; institute and prosecute litigation to compel their compliance with said conditions or seek damages for their violation. No vested rights are gained by Developer or a successor in interest by the City's approval of this **Minor Site Development Plan**.
3. Staff is authorized and directed to make, or require the Developer to make, all corrections and modifications to the **Minor Site Development Plan** documents, as necessary to make them internally consistent and in conformity with the final action on the project. Development shall occur substantially as shown on the approved Exhibits. Any proposed development, different from this approval, shall require an amendment to this approval.
4. Developer shall comply with all applicable provisions of federal, state, and local laws and regulations in effect at the time of building permit issuance.
5. If any condition for construction of any public improvements or facilities, or the payment of any fees in-lieu thereof, imposed by this approval or imposed by law on this Project are challenged, this approval shall be suspended as provided in Government Code Section 66020. If any such condition is determined to be invalid, this approval shall be invalid unless the City Council determines that the project without the condition complies with all requirements of law.
6. Developer shall implement, or cause the implementation of, the **Carlsbad Oaks North Specific Plan Mitigation Monitoring and Reporting Program (EIR 98-08)** and the **performance standards of the Carlsbad Oaks North Specific Plan, including but not limited to the following:**
 - a. Developer shall submit and obtain City Planner approval of an exterior lighting plan including parking areas. All outdoor lighting shall be designed to reflect downward and avoid any impacts on adjacent property. **Specifically, lighting shall be directed away from open space lots surrounding the industrial lot to the maximum extent feasible. Parking lot lighting adjacent to open space shall utilize low pressure sodium or amber LED luminaires. When warranted (i.e., adjacent to natural open space), the lights should be used in conjunction with cut-off shields (fully shielded/full cutoff lighting). Such shields shall eliminate the horizontal and upward projection of light and direct the light downward, eliminating excess illumination.**

7. Developer/Operator shall and does hereby agree to indemnify, protect, defend, and hold harmless the City of Carlsbad, its Council members, officers, employees, agents, and representatives, from and against any and all liabilities, losses, damages, demands, claims and costs, including court costs and attorney's fees incurred by the City arising, directly or indirectly, from (a) City's approval and issuance of this **Minor Site Development Plan**, (b) City's approval or issuance of any permit or action, whether discretionary or nondiscretionary, in connection with the use contemplated herein, and (c) Developer/Operator's installation and operation of the facility permitted hereby, including without limitation, any and all liabilities arising from the emission by the facility of electromagnetic fields or other energy waves or emissions. This obligation survives until all legal proceedings have been concluded and continues even if the City's approval is not validated.
8. Prior to the issuance of a building permit, the Developer shall provide proof to the Building Division from the **Carlsbad Unified** School District that this project has satisfied its obligation to provide school facilities.
9. This project shall comply with all conditions and mitigation measures which are required as part of the **Zone 16** Local Facilities Management Plan and any amendments made to that Plan prior to the issuance of building permits, including, but not limited to the following:
 - a. **A growth management park fee of \$0.40 per square foot of non-residential development will be collected at the time of building permit issuance. This fee will be used to construct recreational facilities to offset demand created by employees within Local Facilities Management Zone 16.**
10. Developer shall report, in writing, to the City Planner within 30 days, any address change from that which is shown on the permit application.
11. This approval shall become null and void if building permits are not issued for this project within 24 months from the date of project approval.
12. Building permits will not be issued for this project unless the local agency providing water and sewer services to the project provides written certification to the City that adequate water service and sewer facilities, respectively, are available to the project at the time of the application for the building permit, and that water and sewer capacity and facilities will continue to be available until the time of occupancy.
13. Prior to the issuance of the **grading permit**, Developer shall submit to the City a Notice of Restriction to be filed in the office of the County Recorder, subject to the satisfaction of the City Planner, notifying all interested parties and successors in interest that the City of Carlsbad has issued a **Minor Site Development Plan** on the property. Said Notice of Restriction shall note the property description, location of the file containing complete project details and all conditions of approval as well as any conditions or restrictions specified for inclusion in the Notice of Restriction. The City Planner has the authority to execute and record an amendment to the notice which modifies or terminates said notice upon a showing of good cause by the Developer or successor in interest.

14. Developer shall submit and obtain City Planner approval of a Final Landscape and Irrigation Plan showing conformance with the approved Preliminary Landscape Plan and the City's Landscape Manual. Developer shall construct and install all landscaping and irrigation as shown on the approved Final Plans. All landscaping shall be maintained in a healthy and thriving condition, free from weeds, trash, and debris. All irrigation systems shall be maintained to provide the optimum amount of water to the landscape for plant growth without causing soil erosion and runoff.
15. The first submittal of Final Landscape and Irrigation Plans shall be pursuant to the landscape plan check process on file in the Planning Division and accompanied by the project's building, improvement, and grading plans.
16. Developer shall construct trash receptacle and recycling areas enclosed by a six-foot-high masonry wall with gates pursuant to City Engineering Standards and Carlsbad Municipal Code Chapter 21.105. Location of said receptacles shall be approved by the City Planner. Enclosure shall be of similar colors and/or materials to the project to the satisfaction of the City Planner.
17. No outdoor storage of materials shall occur onsite unless required by the Fire Chief. When so required, the Developer shall submit and obtain approval of the Fire Chief and the City Planner of an Outdoor Storage Plan, and thereafter comply with the approved plan.
18. All roof appurtenances, including air conditioners, shall be architecturally integrated and concealed from view and the sound buffered from adjacent properties and streets, in substance as provided in Building Department Policy No. 80-6, to the satisfaction of the Directors of Community and Economic Development Department and Planning.

Engineering:

General

19. Prior to hauling dirt or construction materials to or from any proposed construction site within this project, developer shall apply for and obtain approval from, the City Engineer for the proposed haul route.
20. This project is approved upon the express condition that building permits will not be issued for the development of the subject property, unless the District Engineer has determined that adequate water and sewer facilities are available at the time of permit issuance and will continue to be available until time of occupancy.
21. Developer shall install sight distance corridors at all street intersections and driveways in accordance with City Engineering Standards. The property owner shall maintain this condition.
22. Property owner shall maintain all landscaping (street trees, tree grates, shrubs, groundcover, etc.) and irrigation along the parkway frontage with Whiptail Loop as shown on the Site Plan.

Fees/Agreements

23. Developer shall cause property owner to execute and submit to the City Engineer for recordation, the city's standard form Geologic Failure Hold Harmless Agreement.
24. Developer shall cause property owner to execute and submit to the City Engineer for recordation the city's standard form Drainage Hold Harmless Agreement.
25. Developer shall cause property owner to submit an executed copy to the City Engineer for recordation a city standard Permanent Stormwater Quality Best Management Practice Maintenance Agreement.
26. Developer shall comply with the Transportation Demand Management ordinance per Carlsbad Municipal Code section 18.51. The Transportation Demand Management (TDM) Plan prepared during discretionary review is preliminary and shall be resubmitted and approved prior to occupancy. Prior to building permit issuance, the Developer shall have a consultation with city staff regarding submittal of the TDM Plan. Prior to occupancy, the Developer shall submit a Transportation Demand Management Plan to the satisfaction of the City Engineer.

Grading

27. Based upon a review of the proposed grading and the grading quantities shown on the site plan, a precise grading permit for this project is required. Developer shall prepare and submit plans and technical studies/reports as required by City Engineer, post security and pay all applicable grading plan review and permit fees per the city's latest fee schedule.

Storm Water Quality

28. Developer shall comply with the city's Stormwater Regulations, latest version, and shall implement best management practices at all times. Best management practices include but are not limited to pollution control practices or devices, erosion control to prevent silt runoff during construction, general housekeeping practices, pollution prevention and educational practices, maintenance procedures, and other management practices or devices to prevent or reduce the discharge of pollutants to stormwater, receiving water or stormwater conveyance system to the maximum extent practicable. Developer shall notify prospective owners and tenants of the above requirements.
29. Developer shall complete and submit to the City Engineer a Determination of Project's SWPPP Tier Level and Construction Threat Level Form pursuant to City Engineering Standards. Developer shall also submit the appropriate Tier level Storm Water Compliance form and appropriate Tier level Storm Water Pollution Prevention Plan (SWPPP) to the satisfaction of the City Engineer. Developer shall pay all applicable SWPPP plan review and inspection fees per the city's latest fee schedule.
30. This project is subject to 'Priority Development Project' requirements. Developer shall prepare and process a Storm Water Quality Management Plan (SWQMP), subject to City Engineer approval, to comply with the Carlsbad BMP Design Manual latest version. The final SWQMP required by this condition shall be reviewed and approved by the City Engineer with final grading plans. Developer shall pay all applicable SWQMP plan review and inspection fees per the city's latest fee schedule.

31. Developer is responsible to ensure that all final design plans (grading plans, improvement plans, landscape plans, building plans, etc.) incorporate all source control, site design, pollutant control BMP, **trash capture BMPs** and applicable hydromodification measures.

Dedications/Improvements

32. Developer shall design the private drainage systems, as shown on the site plan to the satisfaction of the City Engineer. All private drainage systems (12" diameter storm drain and larger) shall be inspected by the city. Developer shall pay the standard improvement plan check and inspection fees for private drainage systems.
33. Prior to any work in city right-of-way or public easements, Developer shall apply for and obtain a right-of-way permit to the satisfaction of the City Engineer.
34. Developer shall prepare and process public improvement plans and, prior to City Engineer approval of said plans, shall execute a city standard Development Improvement Agreement to install and shall post security in accordance with C.M.C. Section 18.40.060 for public improvements shown on the site plan. Said improvements shall be installed to city standards to the satisfaction of the City Engineer. These improvements include, but are not limited to:
- A. Install curb gutter and sidewalk.**
 - B. Install driveway approach.**
 - C. Install sewer lateral and remove 12-inch water service from the water main to the property line with trench repair and grind and overlay pavement.**
 - D. Plot private backflow devices.**

Developer shall pay the standard improvement plan check and inspection fees in accordance with the fee schedule. Improvements listed above shall be constructed within 36 months of approval of the subdivision or development improvement agreement or such other time as provided in said agreement.

35. Developer shall design, and obtain approval from the City Engineer, the structural section for the access aisles with a traffic index of 5.0 in accordance with city standards due to truck access through the parking area and/or aisles with an ADT greater than 500. Prior to completion of grading, the final structural pavement design of the aisle ways shall be submitted together with required R-value soil test information subject to the review and approval of the City Engineer.
36. **The relinquishment of access rights at the proposed driveway opening shall be vacated. Developer shall submit the appropriate application and pay the standard fee for plan checking and processing said vacation documents.**

Utilities

37. The developer shall agree to design landscape and irrigation plans utilizing recycled water as a source and prepare and submit a colored recycled water use map to the Planning Department for processing and approval by the District Engineer.
38. Developer shall install potable water and/or recycled water services and meters at locations approved by the District Engineer. The locations of said services shall be reflected on public improvement plans.
39. The developer shall agree to install sewer laterals and clean-outs at locations approved by the City Engineer. The locations of sewer laterals shall be reflected on public improvement plans.
40. The developer shall design and agree to construct public water, sewer, and recycled water facilities substantially as shown on the site plan to the satisfaction of the District Engineer and City Engineer.

Code Reminders:

41. Approval of this request shall not excuse compliance with all applicable sections of the Zoning Ordinance and all other applicable city ordinances in effect at time of building permit issuance, except as otherwise specifically provided herein.
42. Developer shall pay planned local area drainage fees in accordance with Section 15.08.020 of the City of Carlsbad Municipal Code to the satisfaction of the City Engineer.
43. Developer shall pay traffic impact and sewer impact fees based on Section 18.42 and Section 13.10 of the City of Carlsbad Municipal Code, respectively. The Average Daily Trips (ADT) and floor area contained in this administrative approval letter and shown on the site plan are for planning purposes only.
44. Prior to the issuance of a building permit, Developer shall pay a Public Facility fee as required by Council Policy No. 17.
45. Developer shall pay a landscape plan check and inspection fee as required by Section 20.08.050 of the Carlsbad Municipal Code.
46. The project shall comply with the latest nonresidential disabled access requirements pursuant to Title 24 of the California Building Code.
47. Premise identification (addresses) shall be provided consistent with Carlsbad Municipal Code Section 17.04.320.
48. Any signs proposed for this development shall at a minimum be designed in conformance with the City's Sign Ordinance and shall require review and approval of the City Planner prior to installation of such signs.

NOTICE

Please take **NOTICE** that approval of your project includes the “imposition” of fees, dedications, reservations, or other exactions hereafter collectively referred to for convenience as “fees/exactions.”

You have 90 days from the date of final approval to protest imposition of these fees/exactions. If you protest them, you must follow the protest procedure set forth in Government Code Section 66020(a), and file the protest and any other required information with the City Manager for processing in accordance with Carlsbad Municipal Code Section 3.32.030. Failure to timely follow that procedure will bar any subsequent legal action to attack, review, set aside, void, or annul their imposition.

You are hereby FURTHER NOTIFIED that your right to protest the specified fees/exactions DOES NOT APPLY to water and sewer connection fees and capacity charges, nor planning, zoning, grading or other similar application processing or service fees in connection with this project; NOR DOES IT APPLY to any fees/exactions of which you have previously been given a NOTICE similar to this, or as to which the statute of limitations has previously otherwise expired.

This decision may be appealed by you or any other member of the public to the Planning Commission within ten days of the date of this letter. Appeals must be submitted in writing to the Planning Division at 1635 Faraday Avenue in Carlsbad, along with a payment of \$847.00. The filing of such appeal within such time limit shall stay the effective date of the order of the City Planner until such time as a final decision on the appeal is reached. If you have any questions regarding this matter, please feel free to contact Jason Goff at (442) 339-2643.

Sincerely,



CLIFF JONES

Principal Planner

CJ:JG:JC

c: Theodore Tchang, Carlsbad Oaks North Ventures LP, 3575 Kenyon St., Suite 200, San Diego, CA 92110
David Rick, Project Engineer
Eric Lardy, City Planner
Laserfiche/File Copy
Data Entry



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2023

To: Mayor and City Council
From: Scott Chadwick, City Manager

Staff Contact: Nichole Fine, Senior Engineer
nichole.fine@carlsbadca.gov, 442-339-2744

Subject: Summary Vacation of an Unnamed Public Easement at 3851 Park Drive (VAC 2024-0001)

District: 1

Recommended Action

Adopt a resolution approving a summary vacation of an unnamed public easement over a portion of Lot 41 of development Map No. 3019, located at 3851 Park Drive. (Exhibit 1)

Executive Summary

The city and utility companies rely on easements to legally enter and use property they do not own for certain reasons, such as maintaining infrastructure.

A 10-foot-wide public easement at the residential property at 3851 Park Drive traverses the property's rear. The owner wishes to make full use of the property and has asked the city to vacate its rights to the easement, relinquishing it to the property owner.

The city and the utility companies no longer need this easement.

The request requires the City Council's approval because California Streets and Highway Code Section 8333 gives the City Council the authority to summarily vacate such an unneeded easement.

Explanation & Analysis

The unnamed public easement was recorded on development Map No. 3019 for public use on Aug. 7, 1953.

Under Streets and Highways Code Section 8333, a public service easement may be summarily vacated by the City Council if the easement has been superseded by relocation or determined to be no longer needed by the easement holder and there are no other public facilities located within the easement.

The city no longer has any need for the easement, and AT&T, SDG&E and Charter Communications all provided correspondence indicating they have no objection to vacating the easement.

Staff recommend that the City Council adopt the resolution and approve the summary vacation of the easement. Vacating the public unnamed easement provides the property owner full use and control of their property. Staff have not identified any drawbacks in approving this request.

Fiscal Analysis

There are no fiscal impacts with vacating this easement. All fees necessary to process this summary vacation have been paid by the owner in accordance with the city's fee ordinance.

Next Steps

The City Clerk will record the resolution, including all required recording documents, in the Office of the County Recorder of San Diego County. This easement will be considered vacated upon the date this resolution is recorded in County Recorder's office.

Environmental Evaluation

The proposed vacation does not qualify as a project under the California Environmental Quality Act under Public Resources Code Section 21065. It has no potential to cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and therefore does not require environmental review.

Exhibits

1. City Council resolution
2. Location map

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A SUMMARY VACATION OF A PUBLIC UNNAMED PUBLIC EASEMENT OVER A PORTION OF LOT 41 OF DEVELOPMENT MAP NUMBER 3019, LOCATED AT 3851 PARK DRIVE

WHEREAS, the City Council of the City of Carlsbad, California has determined that John Anton Zimmer and Lindsey Dawn Zimmer, Trustees of the John and Lindsey Zimmer 2016 Trust, dated Nov. 15, 2016, the owners of property described as Lot 41 of Carlsbad Estates of Map No. 3019, in the City of Carlsbad, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County on Aug. 7, 1953, have filed an application to summarily vacate the unspecified public easement along the westerly 10 feet of Lot 41; and

WHEREAS, on Aug. 7, 1953, a public unnamed easement was recorded across lot 41 as shown on development Map No. 3019; and

WHEREAS, this summary vacation is being requested pursuant to Section 8333 of the California Streets and Highways Code; and

WHEREAS, the City of Carlsbad, AT&T, SDG&E and Charter Communications do not have facilities or interest in the easement; and

WHEREAS, this easement is not required for the purpose for which it was granted and is not now, nor is it contemplated to be, needed for future public utility purposes; and,

WHEREAS, the City Council of the City of Carlsbad has determined it to be in the public interest to vacate this easement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the City Council finds that the easement has been superseded by relocation, or determined to be excess by the easement holder, and there are no other public facilities located within the easement.
3. That the City Council hereby summarily vacates a public unnamed easement over a portion of Lot 41 of Map Number 3019, recorded Aug. 7, 1953, filed in the Office of the County Recorder of the County of San Diego, located at 3851 Park Drive

4. That pursuant to Division 9, Part 3, Chapter 4 of the California Streets and Highways Code, said excess easement more particularly described in Attachment A and shown for the sake of clarity in Attachment B to Exhibit 1, shall be summarily vacated.
5. That the City Clerk is directed to record this Resolution, the legal description (Attachment A) and plat (Attachment B) as reflected in Exhibit 1 in the Office of the County Recorder of San Diego County.
6. That upon recordation of this Resolution at the County Recorder's Office, this easement no longer contributes a public easement.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

EXHIBIT A

LEGAL DESCRIPTION

UNSPECIFIED EASEMENT

PD 2024-0006

VAC 2024-0001

A PORTION OF LOT 41 OF CARLSBAD ESTATES, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 3019 FILED IN THE COUNTY RECORDS OFFICE AUGUST 7, 1953 AS FILE NO. 106971 O.R. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

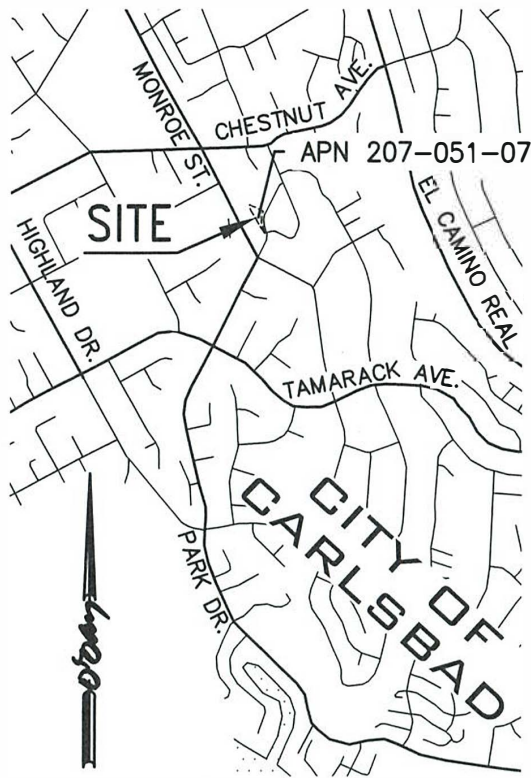
BEGINNING AT THE MOST WESTERLY CORNER OF SAID LOT 41, THENCE ALONG THE NORTHWESTERLY LINE OF LOT 41, NORTH 26°12'00" EAST, 16.53 FEET TO THE MOST NORTHERLY CORNER OF LOT 41; THENCE ALONG THE NORTHEAST LINE OF LOT 41, SOUTH 63°48'00" EAST, 10.00 FEET; THENCE SOUTH 26°12'00" WEST, 23.57 FEET TO THE SOUTH-WESTERLY LINE OF LOT 41; THENCE ALONG SAID LINE NORTH 28°39'00" WEST, 12.23 FEET TO THE BEGINNING.

AREA = 200.51 SF



EXHIBIT B

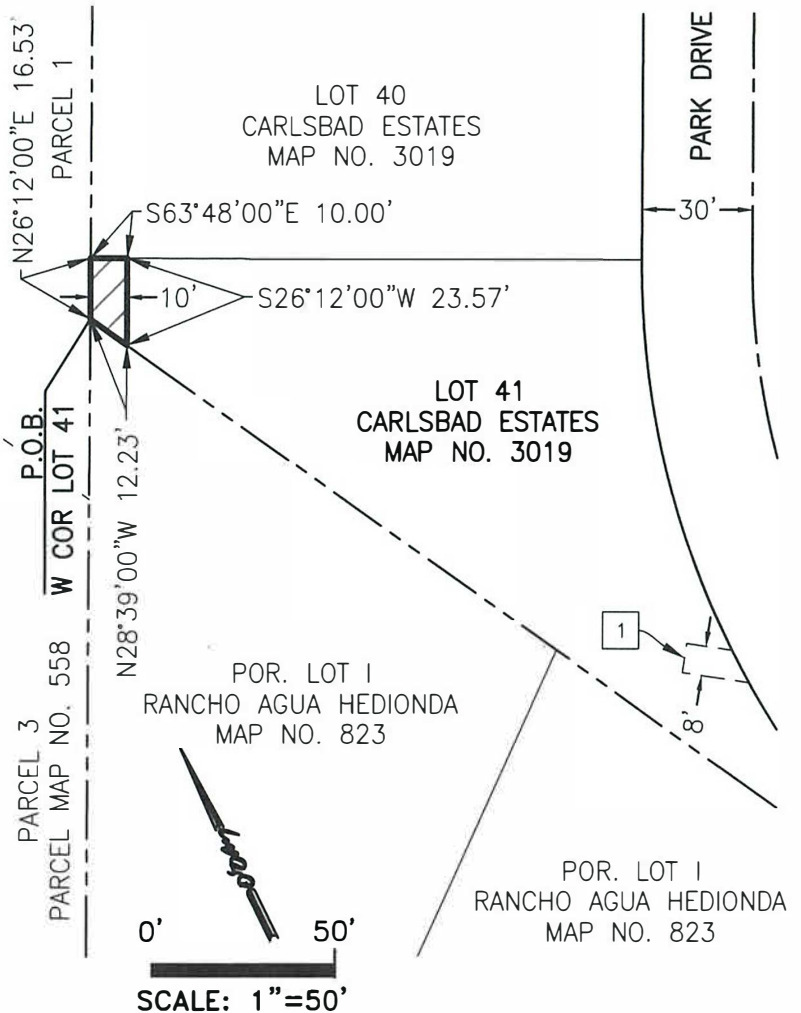
- 1 8 FOOT PUBLIC UTILITIES EASEMENT TO SAN DIEGO GAS & ELECTRIC COMPANY IN BOOK 5069, PAGE 29 O.R.
- 2 PUBLIC UTILITIES EASEMENT TO WM. G. KERCKUFF COMPANY IN BOOK 1221, PAGE 14, O.R. EXACT LOCATION CANNOT BE DETERMINED



VICINITY MAP
NO SCALE

PROPERTY LEGAL DESCRIPTION

LOT 41 OF CARLSBAD ESTATES, IN THE CITY OF CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 3019, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 7, 1953.



SCALE: 1"=50'

LEGEND:

- UNSPECIFIED EASEMENT VACATION
- EXISTING EASEMENT
- ROAD CENTERLINE
- EXISTING LOT/PARCEL LINES
- RIGHT-OF-WAY (R/W)
- MAP BOUNDARY



[Signature]
PATRICK N. O'DAY
R.C.E. NO. 27214

DATE

6/5/24

Prepared by:



JN-24-1014

Aug. 20, 2024

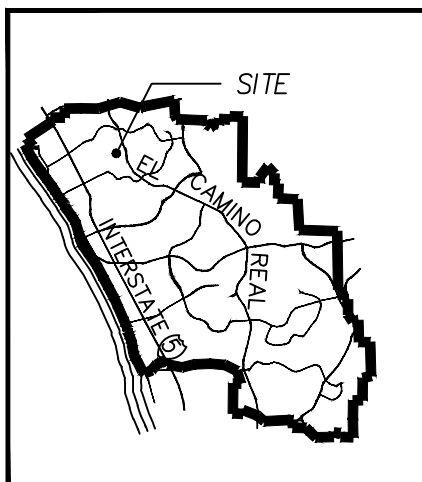
6/5/2024
Date

PLAT TO ILLUSTRATE EASEMENT VACATION OF EXISTING 10' EASEMENT OVER LOT 41 OF CARLSBAD ESTATES AS SHOWN ON MAP NO. 3019 REC. AUG. 7, 1953

EASEMENT
APN: 207-051-07

VAC 2024-0001
PD 2024-0006

SHEET: 1 OF 1



SITE MAP



ZIMMER RESIDENCE VAC2024-0001



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Jeffery Smith, Police Captain
 jeffery.smith@carlsbadca.gov, 442-339-2218
 Amanda Simpson, Management Analyst
 jmanda.simpson@carlsbadca.gov, 442-339-5054

Subject: Memorandum of Understanding between the City of Carlsbad and Carlsbad Unified School District for the School Resource Officer Program for the 2024-25 School Year

Districts: All

Recommended Action

Adopt a resolution approving a memorandum of understanding between the City of Carlsbad and Carlsbad Unified School District for the School Resource Officer Program for the 2024-25 school year.

Executive Summary

The City of Carlsbad and Carlsbad Unified School District have an ongoing partnership to provide a safe and secure environment for all students and staff on the school district's campuses. The Carlsbad Police Department will provide three school resource officers for the school district for the 2024-25 school year. For ten months, one school resource officer will be assigned to Carlsbad High School, one will be assigned to Sage Creek High School, and one will be assigned to three middle schools and nine elementary schools within the district.

The district will pay for half the costs of these assignments, totaling \$228,158, which will reimburse the city's General Fund.

The City Council is being asked to approve the associated memorandum of understanding with the district, which is effective for the 2024-25 public fiscal school year.

Explanation & Analysis

For over two decades, the Police Department has provided the Carlsbad Unified School District with at least one school resource officer every school year.

- In 2018, the City Council approved a second dedicated school resource officer for Sage Creek High School at the request of the school district.

- In 2019, a third school resource officer was approved to rove between the three middle schools and nine elementary schools within the Carlsbad Unified School District.

The Police Department has a total of five school resource officers. Two of those officers are considered roving officers who provide services at other campuses located in the city through the Encinitas, San Marcos and San Dieguito Unified School Districts. These three school districts have been offered the same services for dedicated school resource officers and have declined. These two additional roving school resource officers are fully funded by the City of Carlsbad.

The school resource officers are trained to interact with students in a positive and proactive manner, which will help improve relations between the police department and youth in the community.

Duties of a school resource officer include:

- Respond to all law enforcement-related matters as they occur during regular school hours while the officer is on or near the officer's assigned school campuses
- Document all incidents of crimes at the school campuses and performing the necessary follow-up investigations as needed
- Attend sporting events, school activities and parent conferences/meetings as needed
- Conduct criminal investigations as assigned by the supervisor of the Family Services Unit and assist other officers who are engaged in ongoing criminal investigations that bring the other officers onto the school campus
- Work with school staff in matters of mutual concerns occurring both on and off campus
- Act as a liaison for the School Attendance Review Board and be the point of contact for Child Protective Services visits, truancy sweeps, home visitations, district-wide critical response plan training, school safety plans, and training of campus supervisors and noon duty personnel

If the high schools or middle schools have restricted on-campus activities due to unforeseen circumstances, such as public health emergencies, the Carlsbad Unified School District may request that no school resource officers be provided while on-campus student learning is reduced or suspended. If the Carlsbad Unified School District makes this request, then the total cost will be adjusted to account for any months for which no school resource officers were requested.

The proposed resolution authorizes the City Manager to execute amendments to the memorandum of understanding which may be necessary to ensure compliance with state or local public health orders or other federal, state or local laws.

Fiscal Analysis

The annual cost for one mid-range officer (Step 3) is \$182,526, which includes salaries and benefits, but does not include equipment and maintenance. The Carlsbad Unified School District's cost-sharing payment of \$228,158 will be used to reimburse the General Fund and reduce the program's impact on the city's budget. The breakdown of costs and cost-sharing is below:

School resource officer cost allocation				
Cost	Carlsbad High	Sage Creek High	Middle schools	Total
Annual personnel costs	\$182,526	\$182,526	\$182,526	\$547,578
Monthly personnel costs	\$15,211	\$15,211	\$15,211	\$45,632
School year cost (10 months)	\$152,105	\$152,105	\$152,105	\$456,315
Half share cost to district	\$76,053	\$76,053	\$76,053	\$228,158

*Amounts are rounded to the nearest dollar and are based on rounded salary, including education pay, holiday pay and uniform allowance.

Next Steps

With City Council approval, the City Manager will sign the memorandum of understanding between Carlsbad Unified School District and City of Carlsbad. The Police Department will provide three dedicated school resource officers to the Carlsbad Unified School District. The district will be billed \$228,158 for the 2024-25 school year.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. City Council resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARLSBAD AND CARLSBAD UNIFIED SCHOOL DISTRICT FOR THE SCHOOL RESOURCE OFFICER PROGRAM FOR THE 2024-25 SCHOOL YEAR

WHEREAS, the City of Carlsbad Police Department and the Carlsbad Unified School District have an ongoing partnership to ensure the safety of students and staff on Carlsbad Unified School District campuses; and

WHEREAS, the Police Department has provided the Carlsbad Unified School District with a school resource officer every school year for over two decades; and

WHEREAS, the City Council of the City of Carlsbad, California has determined that it is in the public's best interest to approve the Memorandum of Understanding with the Carlsbad Unified School District for the School Resource Officer Program for the 2024-25 school year; and

WHEREAS, for the 2024-25 school year, one school resource officer will be assigned to Carlsbad High School, one school resource officer will be assigned to Sage Creek High School, and one school resource officer will be assigned to the three middle schools and nine elementary schools within the Carlsbad Unified School District during the ten months when students are on campus; and

WHEREAS, Carlsbad Unified School District agrees to pay for one-half the costs of three full-time police officers during the months they are assigned to the schools; and

WHEREAS, the City Planner has determined this action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the City Manager or designee is authorized and directed to execute the Memorandum of Understanding for the School Resource Officer Program between the City of Carlsbad and the Carlsbad Unified School District for the 2024-25 school year attached hereto as Attachment A.

3. That the City Manager or designee is authorized to execute amendments to the Memorandum of Understanding for the School Resource Officer Program as needed to ensure continued compliance with state or local public health orders, or other federal, state, or local laws.
4. Carlsbad Unified School District's cost-sharing payment of \$228,158 will be used to reimburse the city's General Fund.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

**MEMORANDUM OF UNDERSTANDING BETWEEN
CARLSBAD UNIFIED SCHOOL DISTRICT
AND
CITY OF CARLSBAD**

The City of Carlsbad Police Department and the Carlsbad Unified School District desire to provide a safe and secure, teaching and learning environment for all students and staff within the City of Carlsbad by protecting life and property.

Ensuring the safety of students and staff on school campuses in Carlsbad is a priority to the school administration and the police department. Campus security will be enhanced by the presence of police officers that will interact with the students in both a positive and proactive manner. Police officers on campus will help improve relations between the police department and the youth of the community. Therefore, the Carlsbad Unified School District and the City of Carlsbad have the following expectations and agree to undertake the listed responsibilities to achieve these mutual objectives:

A. SCHOOL DISTRICT’S ROLE AND RESPONSIBILITY

1. To ensure student welfare portal to portal;
2. To develop procedures to handle campus safety issues;
3. To establish and follow procedures for referring police involvement; and
4. To cooperate with and support in a proactive manner the City of Carlsbad Police Department to ensure the success of programs involving students, school personnel, parents and the community.

B. SCHOOL RESOURCE OFFICER’S ROLE AND RESPONSIBILITY

1. To provide enforcement/prevention/intervention by:
 - Providing a uniformed police officer presence at Carlsbad High School, Sage Creek High School, the middle and elementary schools, Carlsbad Village Academy, and district offices located in the City of Carlsbad;
 - Responding to all law enforcement related matters as they occur during regular school hours while the officer is on or near the above facilities and able to do so;
 - Documenting all incidents of crime that occur at the above facilities as per department regulations, performing the necessary follow-up investigations as needed to identify perpetrators of crime, and performing any follow-up on cases as deemed necessary;

Memorandum of Understanding
2024-2025 School Year

- Attending various sporting events and school activities as needed for proactive enforcement and interaction;
 - Attending parent conferences/meetings as needed.
2. To conduct criminal investigations as assigned by the supervisor of the Family Services Unit and to assist other law enforcement officers who are engaged in ongoing criminal investigations that bring them onto the school campus.
 3. To work with school staff in matters of mutual concern such as: alcohol and drug use on campus; safety of students and staff on and off campus; gang-related violence and crime; campus intrusion; and loss and/or damage to property.
 4. To provide liaison in the following areas: School Attendance Review Board; point of contact for CPS visits; truancy sweeps; home visitations; district-wide critical response plan training; school safety plans; and training of school campus supervisors and noon duty personnel.
 5. Releasing student information. The Parties shall fully comply with the Family Educational Rights and Privacy Act (FERPA) and all other applicable state and federal laws regarding confidentiality of student information. Information obtained by school staff may be shared with a law enforcement officer/agency or SRO as long as the information is not derived from school records. Information from school records can be shared under any one of the following circumstances:
 - “Directory Information” unless the parent/guardian has asked specifically that such information be kept confidential.
 - With consent of the parent/guardian
 - When the educational agency or institution determines that there is an articulable and significant threat to the health or safety of a student or other individuals and disclosure is necessary to protect the health or safety of a student or other individuals. (34 C.F.R. § 99.36)
 6. School Resource Officers will make every effort to use established best practices for de-escalation outlined in the Countywide Crisis Management Philosophy document (Policy 301) when interacting with any student in crisis. Additionally, School Resource Officers will be familiar with, and, when feasible, assist with the CUSD Site Emergency Procedures for Special Needs Students as appropriate.
 7. When dealing with a student in crisis, specifically those students with special needs or other considerations, School Resource Officers should, if reasonable under the circumstances, work collaboratively with school staff to resolve the situation, while attempting to respect individual education plan expectations as advised by school personnel.

Memorandum of Understanding
2024-2025 School Year

C. TERM OF AGREEMENT

This Memorandum of Understanding will remain in effect for the 2024-2025 public school fiscal year. Either party will have the right to cancel this Memorandum of Understanding upon 90 days advance written notice during the term of this agreement.

D. SPAN OF CONTROL/JURISDICTION

One full-time police officer will be assigned to provide the School Resource Program at Carlsbad High School, Carlsbad Village Academy, and district offices located in the City of Carlsbad.

One full-time police officer will be assigned to provide the School Resource Program at Sage Creek High School and district offices located in the City of Carlsbad.

One full-time police officer will be assigned to provide the School Resource Program at Valley Middle School, Calavera Hills Middle School, Aviara Oaks Middle School, and the nine CUSD elementary schools.

Enforcement/prevention/education/training/proactive activities will take place at these facilities and at public meeting places within the community as they relate to the activities at these facilities.

In accordance with public health guidance, the City of Carlsbad Police Department will ensure its officers abide by all public health ordinances and requirements, including directives from the state regarding COVID protocols for K-12 settings.

The officer will remain under the direction and control of the City of Carlsbad Police Department. Requests for work assignments from these facilities will be given to the Family Services sergeant of the Carlsbad Police Department, who will thereafter assess the request and direct the school resource officer to respond appropriately.

E. RESOURCE

Resource and local management will be coordinated at:

Carlsbad Unified School District, 6225 El Camino Real, Carlsbad, California, 92009, (760) 331-5000.

City of Carlsbad Police Department, 2560 Orion Way, Carlsbad, California, 92010, (760) 931-2100.

Memorandum of Understanding
2024-2025 School Year

F. COST

Cost sharing will be based upon the services of **one-half of one full-time police officer** for ten months of the school year for Carlsbad High School, **one-half of one full-time police officer** for ten months of the school year for Sage Creek High School, and **one half of one full time police officer** for ten months of the school year for Valley Middle School, Calavera Hills Middle School, and Aviara Oaks Middle School. The portion funded by the District will be prorated based upon the school year at a rate of one half of the total salary of three full time sworn police officers for a total cost of **\$228,158**. See Exhibit A for details.

CAMPUS CLOSURES: If either Carlsbad High School, Sage Creek High School, Valley Middle School, Calavera Hills Middle School, or Aviara Oaks Middle School have restricted on campus activities due to unforeseen circumstances (e.g., public health emergencies such as Covid-19), the Carlsbad Unified School District may request that no School Resource Officers be provided while on-campus student learning is reduced or suspended. If Carlsbad Unified School District requests that no School Resource Officers be provided while on campus student learning is reduced or suspended due to the unforeseen circumstances, the total cost to be funded by the District will be prorated to deduct for any months for which no School Resource Officers are requested.

This Memorandum of Understanding will be effective August 21, 2024 and the Carlsbad Unified School District will pay annually to the Finance Director of the City of Carlsbad the agreed amount as outlined above. If the agreement is canceled as herein permitted, the city shall return to the district the portion of such payment allocable to the period of the term subsequent to the effective date of cancellation.

G. SICK/INJURY/EMERGENCY ABSENCES

The City of Carlsbad Police Department will provide general law enforcement services to Carlsbad High School, Sage Creek High School, the middle and elementary schools, Carlsbad Village Academy, and the district offices via the patrol division whenever the regularly assigned school resource officer is temporarily unable to provide said services due to illness, injury or emergency leave, or when called away to perform other duties that preclude the officer's presence at the school. In the event of such occurrence, calls for service will be handled based on need in relation to other demands for police services.

H. CITY EMPLOYEES

City employees who perform duties under this agreement are not, for any purposes whatsoever, employees of the School District.

Memorandum of Understanding
2024-2025 School Year

I. NO RIGHTS IN THIRD PARTIES

This Memorandum is not intended to benefit any third parties, create rights in favor of any third parties, or create a special relationship between any City of Carlsbad employee and any other person.

J. LIABILITY AND INDEMNIFICATION

Pursuant to Section 895.4 of the Government Code, the City of Carlsbad and Carlsbad Unified School District agree that each will assume the full liability imposed upon it for any of its officers, agents, or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this agreement, and each party agrees to indemnify and hold harmless the other party for any loss, cost, or expense that may be imposed upon such other party by the virtue of Sections 895.2 and 895.6 of the Government Code.

Carlsbad Unified School District

By: 

Title: Eric Dill, Assistant Superintendent,
Business Services

Date: Aug 8, 2024

City of Carlsbad

By: Scott Chadwick, City Manager

Date: _____

Attest: Sherry Freisinger, City Clerk

Approved as to form
Cindie McMahon
City Attorney

By: Jennifer R. True
Assistant City Attorney

Memorandum of Understanding
2024-2025 School Year

EXHIBIT A

Carlsbad Police Department

SCHOOL RESOURCE OFFICER PROGRAM

Cost-Sharing Breakdown

Costs are for one mid-step police officer (Step C) for one year and include only personnel costs; equipment and maintenance costs are not included.

ANNUAL POLICE OFFICER PERSONNEL EXPENSES	RATE	COST PER OFFICER
Salary	Mid-Range	109,595
Education Pay	Flat Rate	6,032
Overtime	7.500%	8,220
Holiday Pay	132 hrs	6,955
Life Insurance	0.048%	55
AD&D	0.024%	28
Health Insurance	Flat Rate	21,812
LTD	0.300%	329
STD	0.3046%	334
Medicare	1.450%	1,677
Unemployment	0.25%	289
Retirement (CalPers)	20.490%	25,302
Uniform Allowance	Flat Rate	900
TOTAL PERSONNEL COSTS		182,526

SRO COST ALLOCATION	CARLSBAD HIGH	SAGE CREEK HIGH	MIDDLE SCHOOLS	TOTAL
Annual Personnel Costs	182,526	182,526	182,526	547,548
Monthly Personnel Cost	15,211	15,211	15,211	42,606
School Year Cost	152,105	152,105	152,105	426,060
HALF SHARE COST TO SCHOOL	76,053	76,053	76,053	228,158

**amounts are rounded to the nearest dollar and are based on rounded salary including education pay, uniform allowance, and holiday pay*



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Faviola Medina, City Clerk Services Director
faviola.medina@carlsbadca.gov, 442-339-5989

Subject: Adoption of Ordinance Nos. CS-473 and CS-474 Amending Title 8, Title 11, Title 15 and Title 21 of the Carlsbad Municipal Code

District: All

Recommended Action

1. Adoption of Ordinance No. CS-473 approving amendments to Title 8, Public Peace, Morals and Safety, and Title 11, Public Property, of the Carlsbad Municipal Code; and
2. Adoption of Ordinance No. CS-474 approving a zone code amendment and a Local Coastal Program Amendment to Title 15, Grading and Drainage, and Title 21, Zoning Ordinance, of the Carlsbad Municipal Code to complete various miscellaneous cleanup changes.

Executive Summary

Beginning in 2022, the Planning Division initiated a recurring “clean up” work program to review the city’s codes and regulations approximately every two years to minimize errors and ambiguities and to ensure the Carlsbad Municipal Code remains consistent with state law. The first set of clean-up amendments was adopted by City Council on Sept. 13, 2022.

Most of the proposed amendments included in this proposed clean up are amending sections of Title 21, the Zoning Ordinance, which includes the city’s regulations for development and use of property within the city. The proposed amendments affecting Title 21 can be characterized as corrections, updates and clarifications.

The three proposed amendments that affect Titles 8, Public Peace, Morals and Safety; Title 11, Public Property; and Title 15, Grading and Drainage, can be characterized as clarifications of the applicability of existing city policies.

The City Council is being asked to adopt Ordinance No. CS-473 approving amendments to Title 8, Public Peace, Morals and Safety, and Title 11, Public Property, of the Carlsbad Municipal Code and Ordinance No. CS-474 approving a zone code amendment and a Local Coastal Program Amendment to Title 15, Grading and Drainage, and Title 21, Zoning Ordinance, of the Carlsbad Municipal Code to complete various miscellaneous cleanup changes.

Explanation & Analysis

Ordinance Nos. CS-473 and CS-474 were introduced and first read at the City Council meeting held on July 30, 2024.¹ On a motion by Mayor Pro Tem Bhat-Patel, seconded by Council Member Luna, the City Council voted 5/0 to introduce Ordinance No. CS-473 approving amendments to Title 8, Public Peace, Morals and Safety, and Title 11, Public Property, of the Carlsbad Municipal Code and Ordinance No. CS-474 approving a zone code amendment and a Local Coastal Program Amendment to Title 15, Grading and Drainage, and Title 21, Zoning Ordinance, of the Carlsbad Municipal Code to complete various miscellaneous cleanup changes. The second reading allows the City Council to adopt the ordinances.

Fiscal Analysis

There is no anticipated fiscal impact from this action.

Next Steps

The City Clerk's Office shall certify the adoption of the ordinances and will have the full text of the ordinances, or a summary of the ordinances prepared by the City Attorney, published in a newspaper of general circulation within 15 days following the adoption of the ordinances.

Ordinance No. CS-473 will be effective 30 days after its adoption. For properties outside the Coastal Zone, Ordinance No. CS-474 will also be effective 30 days after its adoption. For properties within the Coastal Zone, Ordinance No. CS-474 will be effective 30 days after its adoption or upon Coastal Commission approval of LCPA 2024-0020, whichever occurs later.

Environmental Evaluation

The City Planner, through the process outlined in the Carlsbad Municipal Code relating to Environmental Protection (Section 19.04.060), has determined that this action is categorically exempt from environmental review under California Environmental Quality Act Guidelines Section 15061(b)(3), which states that an activity is exempt from the provisions of the act if 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 City Planner's determination was published on April 26, 2024, and no appeal to that determination was filed.

Exhibits

1. Ordinance No. CS-473
2. Ordinance No. CS-474

¹ Ordinance No. CS-474 as initially proposed by city staff included amendments to Carlsbad Municipal Code Section 21.10.020. The ordinance as introduced by the City Council omitted these amendments.

ORDINANCE NO. CS-473

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING AMENDMENTS TO TITLE 8, PUBLIC, PEACE, MORALS AND SAFETY, AND TITLE 11, PUBLIC PROPERTY, OF THE CARLSBAD MUNICIPAL CODE

CASE NAME: 2024 ZONE CODE CLEANUP
CASE NO.: MCA 2024-0001 (PUB 2024-0005)

WHEREAS, the City Planner has prepared a Municipal Code Amendment MCA 2022-0004 to amend Titles 8 and 11 of the Carlsbad Municipal Code; and

WHEREAS, the City Council of the City of Carlsbad held a duly noticed public hearing as prescribed by law to consider MCA 2024-0001; and

WHEREAS, at said public hearing, upon hearing and considering all testimony and arguments, if any, of all persons desiring to be heard, the City Council considered all factors, including written public comments, if any, related to MCA 2024-0001.

NOW, THEREFORE, the City Council of the City of Carlsbad, California, ordains as follows that:

1. The above recitations are true and correct.
2. That Chapter 8.32.020 of the Carlsbad Municipal Code is amended by revising the definition of “vend” or “vending” to read as follows:

8.32.020 Definitions.

“Vend” or “vending” means an offer to sell or the sale of goods, merchandise, services, food or beverages on a public street, alley, highway, parking lot, sidewalk, pedestrian path or right-of-way.

3. That Section 8.32.080 of the Carlsbad Municipal Code is amended to read as follows:

8.32.080 Sidewalk and pathway vending generally.

- A. Vending activities may occur between the hours of 8:00 a.m. and sunset in all residential zoned areas and between the hours of 8:00 a.m. and 10:00 p.m. in industrial and commercial zoned areas.
- B. No sidewalk vending of any type, including mobile services, shall take place to any individuals traveling within motor vehicles along a public roadway.
- C. A sidewalk vendor shall not vend on any exclusively residential street for longer than 60 minutes at any given time.
- D. No sidewalk or pathway vending of any kind, including mobile services, shall take place in the following locations:

1. In the public right-of-way or any area that blocks pedestrian or vehicle access;
2. Any public property that does not meet the definition of a sidewalk, including, but not limited to, any alley, beach, pier, square, street, street end or parking lot;
3. Within 50 feet of another sidewalk vendor;
4. Within 18 inches from the edge of a curb;
5. Any location that obstructs traffic signals or regulatory signs;
6. Within 15 feet of any intersection, driveway or building entrance, or within any space designed for vehicular parking;
7. Within 15 feet of any fire hydrant or fire escape;
8. Within 100 feet of any vehicle entrance of any fire station, police department, hospital or any other structure involved in health and safety emergency matters;
9. Within 15 feet of any loading zone, bus stop, parking space or access ramp designed for persons with disabilities;
10. Within 10 feet of an outdoor dining or patio area;
11. Within 500 feet of a permitted special event or street fair;
12. Within one-half mile of a public school building or school grounds while children are going to or from the school, during a recess period or within 30 minutes before or after the school's opening or closing hours;
13. Within 500 feet of high-traffic landmarks and venues, as determined by the city manager or designee and published in an administrative order, which shall include justification that such restrictions are directly related to objective health, safety or welfare concerns;
14. On any portion of the Carlsbad Village Sea Wall trail, which extends alongside Carlsbad Boulevard and adjacent to the beach, between the cross streets of Pine Avenue and Tamarack Avenue. This restriction on vending shall include both the upper and lower portions of the Sea Wall trail.

E. Vending activities, including mobile services, in public parks and recreational facilities must also comply with the following:

1. Vending within public parks or recreational facilities is allowed only upon or alongside sidewalks or other paved or marked pedestrian pathways. Outside of these aforementioned areas, vending shall not take place on sand, dirt, grass or on any space which would obstruct, damage or otherwise adversely affect the public's use and enjoyment of natural resources and recreational opportunities, or contribute to an undue concentration of commercial activity that unreasonably interferes with the scenic and natural character of the park.
2. Vending activities, including mobile services, that adversely affect the health, safety and welfare of persons engaged in active sports activities and spectators of active sports activities are prohibited.
3. Sidewalk vending activities, including mobile services, lasting 10 minutes or longer in duration shall not be permitted within any area of a public park if the park operator has signed an agreement for concessions that exclusively permits the sale of food or merchandise by a specified concessionaire.
4. A valid park and facility use permit or special event permit obtained pursuant to Carlsbad Municipal Code Section 11.32.030 may waive these requirements for limited engagements or events. (Ord. CS-346 § 2, 2019)

4. That Section 11.32.015 of the Carlsbad Municipal Code is amended by adding the definition of “vend” or “vending” to read as follows:

11.32.015 Definitions.

“Vend” or “vending” means an offer to sell or the sale of goods, merchandise, services, food or beverages on a public street, alley, highway, parking lot, sidewalk, pedestrian path or right-of-way.

Whenever the words “park” and “vehicle” are used in this chapter, they shall have the meaning ascribed to them in Chapter 10.04 of this code.

5. That Sections 11.32.030.19, .20, .21, and .28 of the Carlsbad Municipal Code are amended to read as follows:

11.32.030 Unlawful acts.

It is unlawful for any person to do any of the following mentioned acts in or upon any park or beach within the city:

19. To distribute any handbills or circulars, or to post, place or erect any bills, notice, paper, or advertising device or matter of any kind, unless issued a valid vending equipment permit as defined in Chapter 8.32 of this code and the activity under this subsection is limited to advertisements permanently affixed to vending equipment;

20. To sell or offer for sale or to rent or lease any merchandise, article or thing, whatsoever, unless issued a valid vending equipment permit as defined in Chapter 8.32 of this code, or unless granted a special event or park and facility use permit issued by the city council or designee;

21. To practice, carry on, conduct or solicit for any trade, occupation, business or profession of whatsoever kind or character without permission of the city council or city manager, unless issued a valid vending equipment permit as defined in Chapter 8.32 of this code;

28. To sell or offer to sell food, or barter for or solicit a donation for food, without a valid park and facility use permit, special event permit, or vending equipment permit as defined in Chapter 8.32 of this code; all applicable health permit(s) issued by County of San Diego department of health; and if required, a City of Carlsbad business license. This subsection shall not apply to any state, county or local government entity or other political subdivision;

EFFECTIVE DATE: This ordinance shall be effective thirty days after its adoption; and the City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

INTRODUCED AND FIRST READ at a Regular Meeting of the Carlsbad City Council on the 30th day of July, 2024, and thereafter

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM AND LEGALITY:

CINDIE K. McMAHON, City Attorney

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

ORDINANCE NO. CS-474

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A ZONE CODE AMENDMENT AND A LOCAL COASTAL PROGRAM AMENDMENT TO TITLE 15, GRADING AND DRAINAGE, AND TITLE 21, ZONING ORDINANCE OF THE CARLSBAD MUNICIPAL CODE TO COMPLETE VARIOUS MISCELLANEOUS CLEANUP CHANGES

CASE NAME: 2024 ZONE CODE CLEANUP
CASE NO.: ZCA 2024-0001/LCPA 2024-0020/MCA 2024-0001 (PUB 2024-0005)

WHEREAS, on May 15, 2024, the Planning Commission held a duly noticed public hearing as prescribed by law to consider ZCA 2024-0001/LCPA 2024-0020; and

WHEREAS, the Planning Commission adopted Planning Commission Resolution No. 7514 recommending to the City Council that ZCA 2024-001/LCPA 2024-0020 be approved; and

WHEREAS, as required by state law, a six-week notice of availability was issued for LCPA 2024-0020 from May 10, 2024, to June 21, 2024, and no comments were received; and

WHEREAS, the City Council of the City of Carlsbad held a duly noticed public hearing as prescribed by law to consider ZCA 2024-0001/LCPA 2024-0020/MCA 2024-0001; and

WHEREAS, at said public hearing, upon hearing and considering all testimony and arguments, if any, of all persons desiring to be heard, the City Council considered all factors, including written public comments, if any, related to ZCA 2024-0001/LCPA 2024-0020/MCA 2024-0001.

NOW, THEREFORE, the City Council of the City of Carlsbad, California, ordains as follows that:

1. The above recitations are true and correct.
2. That the findings of the Planning Commission in Planning Commission Resolution No. 7514 shall also constitute the findings of the City Council.
3. Ordinance CS-449 as adopted by the City Council on June 6, 2023, is pending Coastal Commission review and is incorporated into this ordinance.
4. That Section 15.16.060 of the Carlsbad Municipal Code is amended to read as follows:

15.16.060 Work exempt from grading permit.

A. A grading permit shall not be required for the following:

1. Cemetery graves.
2. Refuse disposal sites controlled by other regulations.
3. Excavations for wells, tunnels, utilities, or swimming pools/spas.

4. Exploratory excavations under the direction of soil engineers or engineering geologists.
5. Clearing and grubbing of vegetation done for the purpose of routine landscape maintenance, the removal of dead or diseased trees or shrubs or the removal of vegetation done upon order of the fire marshal to eliminate a potential fire hazard or for the abatement of weeds.
6. Clearing and grubbing of vegetation done preparatory to agricultural operations on land which has been used for agricultural purposes within the previous five years.
7. Grading on a site where the city engineer finds that the following conditions exist:
 - a. The amount of soil material moved does not exceed 200 cubic yards (excluding excavation for basements, foundations and footings);
 - b. No fill material is placed on an existing slope steeper than five units horizontal to one vertical;
 - c. No cut or fill material exceeds four feet in vertical depth at its deepest point, measured from the existing ground surface.
8. Grading in an isolated, self-contained area.
9. Grading associated with stem wall construction.
10. Retaining walls with a maximum height of 6 feet and the soil material moved does not exceed 200 cubic yards.
11. City capital improvement program (CIP) projects and city-initiated improvement and maintenance projects.
12. Notwithstanding the above, a grading permit shall be required if the city engineer determines that the work may adversely affect existing drainage patterns, result in a condition which may cause damage to adjacent property now or in the future, or may have a detrimental effect on the public health, safety or welfare.

5. That Section 15.16.065 E. of the Carlsbad Municipal Code is amended to read as follows:

15.16.065 Application for grading plan.

E. Grading plan applications for which a permit is not granted within three years following the date of application shall be deemed withdrawn, provided the improvement plans are not associated with a tentative map, tentative parcel map, vesting tentative map, or vesting tentative parcel map, in which case the grading plan application shall be deemed withdrawn on the date of the expiration of the associated tentative map. The grading plans and other documents submitted for review may thereafter be returned to the applicant or destroyed by the City Engineer. In order to renew action on an application after withdrawal, the applicant shall resubmit a new application and pay a new grading plan review application fee.

6. That Chapter 21.04.024 of the Carlsbad Municipal Code is amended by the addition of a new section as shown below:

21.04.024 Agriculture/aquaculture/flower stands.

Agriculture/aquaculture/flower stands mean a structure of no larger than 200 square feet ancillary to active agriculture/aquacultural uses on the property and for the display and sale of products produced on or off-site. There shall be no space for customers within the structure itself.

7. That Table A, Permitted Uses, of Section 21.07.020 (E-A Exclusive Agricultural Zone) of the Carlsbad Municipal Code is amended by the addition and deletion of the following use listings, modification of related footnote 3 and the addition of footnote 7 to read as follows:

21.07.020 Permitted uses.

Table A

Permitted Uses

Use	P	CUP	Acc
Agriculture (see note 7 below)	X		
Agriculture/aquaculture/flower stands (see note 3 below) (defined: Section 21.04.024)			X

Notes:

3. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

7. Only the following agricultural uses, and buildings accessory to such agricultural uses, under this use type are permitted in the E-A zone: (A) Field and seed crops, (B) Truck crops, (C) Horticultural crops, (D) Orchards and vineyards, (E) Tree farms, (F) Fallow lands.

8. That Table A, Permitted Uses, of Section 21.08.020 (R-A Residential Agricultural Zone) of the Carlsbad Municipal Code is amended by the modification of the following use listings and the addition of related footnotes 8 and 9 to read as follows:

21.08.020 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Agriculture (see note 8 below)	X		
Agriculture/aquaculture/flower stands (see note 9 below) (defined: Section 21.04.024)			X

Notes:

8. Only the following agricultural uses, and buildings accessory to such agricultural uses, under this use type are permitted in the R-A zone: (A) Field and seed crops, (B) Truck crops, (C) Horticultural crops, (D) Orchards and vineyards, (E) Tree farms, (F) Fallow lands.

9. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

9. That Table A, Permitted Uses, of Section 21.09.020 (R-E Rural Residential Estate Zone) of the Carlsbad Municipal Code is amended by the addition and deletion of the following use listing and the addition of related footnotes 7 and 8 to read as follows:

21.09.020 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Agriculture (see note 7 below)	X		
Agriculture/aquaculture/flower stands (see note 8 below) (defined: Section 21.04.024)			X

Notes:

7. Only the following agricultural uses, and buildings accessory to such agricultural uses, under this use type are permitted in the R-A zone: (A) Field and seed crops, (B) Truck crops, (C) Horticultural crops, (D) Orchards and vineyards, (E) Tree farms, (F) Fallow lands.

8. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

10. That Section 21.10.030 E. deletes the allowance to require owner-occupancy and renumbers sections E.3 – E.12 to correct a numbering error in CS-449 to read as follows:

21.10.030 Accessory dwelling units and junior accessory dwelling units.

E. Other Requirements and Standards. ADUs and JADUs shall comply with all the following requirements and standards:

3. The maximum size of an ADU or JADU shall be limited as follows, consistent with California Government Code Sections 65852. 2 (effective Jan. 1, 2023) and 65852.22 (effective Jan. 1, 2023):
 - a. Attached ADUs — 50% of the total floor area of the main dwelling or 1, 200 square feet, whichever is less, but not less than 800 square feet;
 - b. Detached ADUs —1, 200 square feet
 - c. JADUs — 500 square feet
4. The maximum height of an ADU or JADU shall be limited as follows, consistent with California Government Code Sections 65852. 2 (effective Jan. 1, 2023) and 65852. 22 effective Jan. 1, 2023):
 - a. A detached ADU on a lot with an existing or proposed single-family, two-family or multiple -family dwelling unit shall be allowed a height up to 16 feet and one story.
 - b. A detached ADU on a lot with an existing or proposed single-family, two-family dwelling, or multiple -family dwelling unit that is within one- half of one mile walking distance of a major transit stop (Carlsbad Village Station or Poinsettia Station), shall be allowed a height up to 18 feet. An additional two feet in height (20 feet maximum) is allowed to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling.
 - c. A detached ADU on a lot with an existing or proposed two-family, multiple -family, multistory dwelling shall be allowed a height up to 18 feet.
 - d. An attached ADU is allowed a height up to 25 feet, or the height limits of the applicable zoning for the primary dwelling, but not to exceed two stories.
 - e. An ADU constructed above or below a detached garage shall be permitted and shall conform to the height limits applicable to the zone. Structures that contain an ADU located above or below a detached garage shall be limited to a maximum of two stories including the garage.
5. Roof decks shall not be permitted on detached ADUs.
6. The construction of an ADU or JADU that is all new construction, or is a conversion of a portion or all of an existing structure, or expands the square footage of an existing structure, shall be consistent with all habitat preserve buffers, geologic stability

- setbacks, and visual resource protection policies in the certified local coastal program, habitat management plan, general plan, or geotechnical report, as applicable.
7. On lots with one -family dwelling(s), the exterior roofing, trim, walls, windows and the color palette of the ADU or JADU shall incorporate the same features as the primary dwelling unit.
 8. On lots with two-family or multiple -family dwellings, the exterior roofing, trim, walls, windows and the color palette of the ADU addition shall incorporate the same features as the existing building that the ADU would be provided within. For detached ADUs, it shall be reflective of the nearest building as measured from the wall of the existing building to the nearest wall of the proposed unit.
 9. Parking.
 - a. An ADU shall provide off-street parking in compliance with Chapter 21. 44 Parking), unless it qualifies for an exemption as specified in California Government Code Section 65852. 2 (effective Jan. 1, 2023).
 - b. No off-street parking is required for a JADU if it meets the requirements specified in California Government Code Section 65852.22 (effective Jan. 1, 2023).
 - c. When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an ADU or converted to an ADU, the loss of parking for the primary dwelling does not need to be replaced, except on lots located west of the rail corridor and on lots located east of the rail corridor and west of Interstate 5 between Avenida Encinas to the north and Batiquitos Lagoon to the south. In which case, the loss of parking for the primary dwelling shall be replaced subject to the parking requirements in Chapter 21.44 Parking), except as follows:
 - i. The replacement parking spaces may be covered, uncovered, or tandem spaces, or provided by the use of mechanical automobile parking lifts within a garage); and may be located in the front, side or rear yard, provided the parking area is an improved parking surface, such as paving, hardscape, decomposed granite, etc.
 - ii. The location of the replacement parking spaces shall be consistent with all habitat preserve buffers, geologic stability setbacks, and visual resource protection policies in the certified local coastal program.
 10. ADUs intended to satisfy an inclusionary requirement shall comply with the requirements of Chapter 21.85, including, but not limited to, the applicable rental rates and income limit standards.
 11. A Notice of Restriction shall be recorded on the property declaring that:
 - a. An ADU(s) or JADU shall not be used for short-term rentals of less than 30 days. This requirement does not apply to any unit that was issued a building permit prior to January 1, 2020.
 - b. The obligations and restrictions imposed on the approval of the ADU(s) per California Government Code Section 65852. 2 (effective Jan. 1, 2023) or JADU per California Government Code Section 65852. 22 (effective Jan. 1, 2023) are binding on all present and future property owners.

- c. For a JADU, the property owner must reside in either the primary residence or the JADU. Sale of the JADU separate from the single-family residence is prohibited; said prohibition is binding on all present owners and future purchasers.
12. An ADU may be sold separately from the primary dwelling only in limited situations pursuant to California Government Code Section 65852.26 (effective Jan. 1, 2023).
11. That Section 21.10.040 of the Carlsbad Municipal Code is amended to read as follows:

21.10.040 Home occupations.

- A. Home occupations which are not disruptive to the residential character of the neighborhood shall be permitted as an accessory use, subject to the following conditions:
 1. The use of the dwelling for a home occupation shall be clearly incidental and subordinate to its use for residential purposes by its inhabitants. The establishment and conduct of a home occupation shall not change the principal character or use of the dwelling unit or property involved.
 2. The home occupation may not utilize an area greater than twenty percent of the combined total floor area of all on-site structures.
 3. There shall be no exterior evidence of the conduct of a home occupation, including outdoor display of equipment, materials, or supplies related directly or indirectly to the home occupation activity. A home occupation shall be conducted entirely within a dwelling, or an attached garage with the exception of tutoring in sports.
 4. No employees shall be employed on the premises unless required by local or state law.
 5. There shall be no signs, banners or flags identifying or advertising the home occupation.
 6. The home occupation shall not create vehicular or pedestrian traffic in excess of that which is normal for the zone in which it is located.
 7. The required residential off-street parking shall be maintained.
 8. Limited indoor storage of goods or supplies (125 cubic feet maximum) may take place within no more than one room of the dwelling and/or in the attached garage (provided required parking on-site is maintained and properly located).
 9. There shall be no separate entrance or exit way specifically provided in the dwelling or on the premises for the conduct of the home occupation, unless required by local or state law.
 10. There shall be no process, procedure, substance, or chemical used which is hazardous to public convenience, health, safety, or general welfare or that changes the fire safety or occupancy classifications of the residence.
 11. Electrical or mechanical equipment which creates visible or audible interference in radio or television receivers or causes fluctuations in line voltage outside the dwelling unit shall be prohibited. Home occupation activities shall not produce dust, glare, noxious matter, excessive noise, or vibrations beyond the subject property lines.
- B. Maximum number of customers and vendors.

1. Home occupations may have a maximum of one customer or vendor on the premises at any one time, between 7:00 a.m. and 7:00 p.m., Monday through Saturday. Home occupations shall not host customers or vendors on the premises more frequently than one customer or vendor within a 2-hour time period.
 2. Home occupations involving tutoring students in music, academics, dance swimming or tennis at a residence may have a maximum of six non-resident students at any one time, and no more than 18 non-resident students during any one day. Sports related tutoring may be conducted between 7:00 a.m. and 7:00 p.m., Monday through Saturday.
- C. Notwithstanding the provisions above, the following uses are prohibited:
1. Automotive repair or other vehicle repair, body or mechanical;
 2. Welding or machining;
 3. Medical clinics or labs;
 4. Animal hospitals, kennels and grooming facilities (see exception in Section 21.10.040 D); and
 5. Uses that require explosives or highly combustible or toxic materials.
- D. Notwithstanding 21.10.040 C.4., animal sitting or grooming facilities may be permitted when conducted entirely indoors. Grooming services shall be limited to one customer on the premises at any one time, between 7:00 a.m. and 7:00 p.m., Monday through Saturday with no more than one customer within a 2-hour time period.
- E. The home occupation use shall not have utility services modifications, other than those required for normal residential use, that would be classified as commercial or industrial in load or design.
- F. Cottage Foods Operation.
1. Cottage Foods Operations shall be permitted as defined by Health and Safety Code Section 113758, conducted only within a dwelling that contains the dwelling's kitchen and shall not be allowed in a garage or other accessory building.
 2. There shall be no on-premise sale of goods except as allowed for a Cottage Food Operation by Health and Safety Code Section 114365 and with a valid County of San Diego Cottage Food permit from Department of Environmental Health. Occasional transport of goods from the premises for off-site sale may occur. Internet sales are not considered on-premise sale of goods.
- G. No person shall commence or carry on a home occupation/cottage food operation without first having received approval of a city business license.
- H. Home occupations shall comply with all noise, lighting, nuisance, health/safety, and other applicable city and state regulations.
-
13. That Table A, Permitted Uses, of Section 21.26.010 (C-1 Neighborhood Commercial Zone) of the Carlsbad Municipal Code is amended by the addition of the following use listing to read as follows:

21.26.010 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Mixed use developments (defined: Section 21.26.015)	X		

14. That Table A, Permitted Uses, of Section 21.28.010 (C-2 General Commercial Zone) of the Carlsbad Municipal Code is amended by the addition of the following use listing to read as follows:

21.28.010 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Mixed use developments (defined: Section 21.28.015)	X		

15. That Table A, Permitted Uses, of Section 21.29.030 (C-T Commercial Tourist Zone) of the Carlsbad Municipal Code is amended by the deletion and addition of the following use listings and the addition of related footnote 3 to read as follows:

21.29.030 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Agriculture/aquaculture/flower stands (see note 3 below) (defined: Section 21.04.024)			X

Notes:

3. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

16. That Table A, Permitted Uses, of Section 21.30.010 (C-M Heavy Commercial Zone) of the Carlsbad Municipal Code regarding the permitting of educational facilities is amended to read as follows:

21.30.010 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Educational facilities, other (defined: Section 21.04.137)	X		

17. That Table A, Permitted Uses, of Section 21.31.030 (C-L Local Shopping Center Zone) of the Carlsbad Municipal Code is amended by the addition of the following use listing to read as follows:

21.31.030 Permitted uses.

Table A
Uses Permitted in the C-L Zone

Use	P	CUP	Acc
Mixed Use Development (defined: Section 21.31.065)	X		

18. That Table A, Permitted Uses, of Section 21.32.010 (M Industrial Zone) of the Carlsbad Municipal Code regarding the permitting of educational facilities is amended to read as follows:

21.32.010 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Educational facilities, other (defined: Section 21.04.137)	X		

19. That Table A, Permitted Uses, of Section 21.36.020 (P-U Public Utility Zone) of the Carlsbad Municipal Code is amended by the addition and deletion of duplicative agricultural use listings and the addition of related footnotes 2 and 3 to read as follows:

21.36.020 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Agriculture (see note 2 below)	X		
Agriculture/aquaculture/flower stands (see note 3 below) (defined: Section 21.04.024)			X

Notes:

2. Only the following agricultural uses, and buildings accessory to such agricultural uses, under this use type are permitted in the P-U zone: (A) Field and seed crops, (B) Truck crops, (C) Horticultural crops, (D) Orchards and vineyards, (E) Tree farms, (F) Fallow lands.

3. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

20. That Table A, Permitted Uses, of Section 21.39.020 (L-C Limited Control Zone) of the Carlsbad Municipal Code is amended by the deletion of the outdated terminology and addition of the following use listings and the addition of related footnote 3 to read as follows:

21.39.020 Permitted uses.

Table A
Permitted Uses

Use	P	CUP	Acc
Agriculture/aquaculture/flower stands (see note 3 below) (defined: Section 21.04.024)			X

Notes:

3. Agriculture/aquaculture/flower stands. Provided that the floor area of the stand shall not exceed two hundred square feet, that the stand is located not nearer than twenty feet to any street or highway, and that the stand is only allowed accessory to an active agricultural or aquacultural use.

21. That Table F, Residential Additions and Accessory Uses to One-Family Dwellings and Twin-Homes on Small Lots, of Section 21.45.090 (Planned Developments Zone) of the Carlsbad Municipal Code and the table’s footnotes are amended by deleting footnote 2 and renumbering the remaining footnotes to read as follows:

21.45.090 Residential additions and accessory uses.

Table F

Residential Additions and Accessory Uses to One-Family Dwellings and Twin-Homes on Small Lots

Addition/Accessory Use	Minimum Front Yard Setback	Minimum Side and Rear Yard Setbacks
Attached/detached patio covers	10 feet to posts (2-foot overhang permitted)	5 feet to posts (2-foot overhang permitted)
Non-habitable detached accessory buildings/structures (e.g., garages, workshops, decks over 30 inches in height) ^{(1) (2)}	20 feet	5 feet
Habitable detached accessory buildings (i.e. guest houses and accessory dwelling units) ^{(2) (3) (4)}	Same setbacks as required for the primary dwelling	
Additions to dwelling (attached)	Same setbacks as required for the dwelling	

Notes:

- (1) Maximum building height is 1 story and 14 feet with a 3:12 roof pitch or 10 feet with less than a 3:12 roof pitch.
- (2) Must be architecturally compatible with the existing structure.
- (3) Except as otherwise permitted for accessory dwelling units pursuant to Section 21.10.030.
- (4) Refer to California Government Code Section 65852.2 (effective Jan. 1, 2023) for front yard setback requirements for 800 sq. ft. maximum ADUs with four-foot side and rear yard setbacks and constructed in compliance with all other development standards.

22. That Section 21.58.030 of the Carlsbad Municipal Code is amended to read as follows:

21.58.030 Expiration of permits.

A. Any permit or approval granted pursuant to this title becomes null and void if not exercised within three years of the date of approval; however, permits or approvals which are issued in conjunction with a tentative map or tentative parcel map, shall not expire sooner than the approved tentative map or tentative parcel map. The permit or approval may be extended pursuant to Section 21.58.040.

B. A project shall be considered “exercised” when:

- (1) A vesting tentative map has been approved pursuant to California Government Code section 66498.1 and has not expired; or

(2) A valid building or grading permit has been issued and substantial work has been performed with at least one inspection conducted by the city to ensure compliance with codes and approved construction documents; or

C. If no building or grading permits are required, the action granting an approval pursuant to this title shall specify the terms and limitations of a use or activity.

23. That Section 21.85.020 A. of the Carlsbad Municipal Code is amended to read as follows:

21.85.020 Definitions.

Whenever the following terms are used in this chapter, they shall have the meaning established by this section:

A. "Affordable housing" means housing for which the allowable housing expenses paid by a qualifying household shall not exceed a specified fraction of the county median income, adjusted for household size, as follows:

1. Extremely low-income, rental units: the product of thirty percent times thirty percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50053;
2. Extremely low-income, ownership units: the product of thirty percent times thirty percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50052.5;
3. Very low-income, rental units: the product of thirty percent times fifty percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50053;
4. Very low-income, ownership units: the product of thirty percent times fifty percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50052.5;
5. Low-income, ownership units: the product of thirty percent times seventy percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50052.5; and
6. Low-income, rental units: the product of thirty percent times sixty percent of the county median income, adjusted for household size, in accordance with California Health and Safety Code Section 50053.

24. That Section 21.85.040 of the Carlsbad Municipal Code is amended to read as follows:

21.85.040 Affordable housing standards.

The affordable housing standards are as follows:

A. All qualifying residential developments pursuant to Section 21.85.030(A) are subject to and must satisfy the inclusionary housing requirements of this chapter, notwithstanding a developer's request to process a residential development under other program requirements,

laws or regulations, including, but not limited to, Chapter 21.86 (Residential Density Bonus) of this code. If an applicant seeks to construct affordable housing to qualify for a density bonus in accordance with the provisions of Chapter 21.86 (Residential Density Bonus), those affordable dwelling units that qualify a residential development for a density bonus shall also be counted toward satisfying the inclusionary housing requirements of this chapter.

B. Whenever reasonably possible, inclusionary units should be built on the residential development project site.

C. The required inclusionary units shall be constructed concurrently with market-rate units unless both the final decision-making authority of the city and developer agree within the affordable housing agreement to an alternative schedule for development.

D. Inclusionary rental units shall remain restricted and affordable to the designated income group for fifty-five years. In addition to the income of a targeted group, limitations on assets may also be used as a factor in determining eligibility for rental or ownership units.

Notwithstanding anything to the contrary in this chapter, no inclusionary unit shall be rented for an amount which exceeds ninety percent of the actual rent charged for a comparable market unit in the same development, if any. For projects with both inclusionary units and market-rate units, the inclusionary units shall be provided in the same tenure as the market-rate units, consistent with California Civil Code 714.7.

E. After the initial sale of the inclusionary ownership units at a price affordable to the target income level group, inclusionary ownership units shall remain affordable to subsequent income eligible buyers pursuant to a resale restriction with a term of thirty years or ownership units may be sold at a market price to other than targeted households provided that the sale shall result in the recapture by the city or its designee of a financial interest in the units equal to the amount of subsidy necessary to make the unit affordable to the designated income group and a proportionate share of any appreciation. Funds recaptured by the city shall be used in assisting other eligible households with home purchases at affordable prices. To the extent possible, projects using ownership units to satisfy inclusionary requirements shall be designed to be compatible with conventional mortgage financing programs including secondary market requirements.

F. Inclusionary units should be located on sites that are in proximity to or will provide access to employment opportunities, urban services, or major roads or other transportation and commuter rail facilities and that are compatible with adjacent land uses.

G. Both the internal and external design of the inclusionary units shall be reasonably consistent or compatible with the design of the total project development in terms of appearance, materials and finished quality. Interior finishes and amenities may differ from those provided in the market rate units, but neither the workmanship nor the products may be of substandard or inferior quality as determined by the city.

H. Inclusionary projects shall provide a mix of number of bedrooms in the affordable dwelling units in response to affordable housing demand priorities of the city. Bedroom count and unit sizes of inclusionary units shall be commensurate with market rate units.

I. No building permit shall be issued, nor any development approval granted for a development which does not meet the requirements of this chapter. No inclusionary unit shall be rented or sold except in accordance with this chapter.

J. For Mixed-Income projects, where both inclusionary units and market rate units exist, the inclusionary units shall be dispersed throughout the project, and not congregated to specific areas or floors, consistent with California Health and Safety Code Section 17929.

25. That Section 21.85.140 D. of the Carlsbad Municipal Code is amended to read as follows:

21.85.140 Affordable housing agreement as a condition of development.

D. An affordable housing agreement will not be required for projects which will be satisfying their inclusionary housing requirement through payment to the city of an in-lieu fee or credit purchase.

26. That Section 21.86.100 of the Carlsbad Municipal Code is amended to read as follows:

21.86.100 Design and quality.

A. The city may not issue building permits for more than 50 percent of the market rate units until it has issued building permits for all of the affordable units, and the city may not approve any final inspections or certificates of occupancy for more than 50 percent of the market rate units until it has issued final inspections or certificates of occupancy for all of the affordable units.

B. Affordable units shall be comparable in exterior and interior appearance and overall quality of construction to market rate units in the same housing development. Interior finishes and amenities may differ from those provided in the market rate units, but neither the workmanship nor the products may be of substandard or inferior quality as determined by the city.

C. The number of bedrooms of the affordable units shall at least equal the minimum number of bedrooms of the market rate units. Bedroom count and unit size shall also be commensurate with market rate units.

D. For Mixed-Income projects, where both inclusionary units and market rate units exist, the inclusionary units shall be dispersed throughout the project, and not congregated to specific areas or floors, consistent with California Health and Safety Code Section 17929.

27. That the Carlsbad Municipal Code is amended by the addition of new Chapter 21.89 Substantial Conformance Review to read as follows:

Chapter 21.89 SUBSTANTIAL CONFORMANCE REVIEW

21.89.010 Purpose and Intent.

After a discretionary project is approved, the applicant may need to request minor revisions, usually as the result of a plan check or new requirement. Minor changes may be approved by the city planner if found to be in “substantial conformance” with the original project description, findings, and conditions.

The purpose of this section is to provide a process that determines if a post-entitlement permit or ministerial permit application is substantially consistent and in conformance with a previously approved discretionary action when changes to the previous approval are proposed. This includes a review of the post-entitlement permit or ministerial permit application against approved exhibits, permit conditions, and environmental documentation associated with the authorizing discretionary permit, and applicable land-use policies and standards.

21.89.020 Applicability.

Unless otherwise stated as a permit condition or as required by the municipal code, substantial conformance review is an optional service available to applicants who are proposing to modify their project after an authorizing discretionary permit has been approved by the city.

21.89.030 Immaterial Changes.

The city planner may determine changes are immaterial, do not require substantial conformance review, and may be approved as part of the ministerial application. Immaterial changes are very minor changes to the project and incidental in nature, are consistent with all development standards, and are of no substantial consequence to the project approval, including its exhibits, conditions, and environmental documentation. The city documents the approval of immaterial changes in the post-entitlement permit or ministerial permit application. Examples of immaterial changes may include but are not limited to:

- A. Floor plan revisions that do not increase parking demand or modify the building footprint.
- B. Modification of the length, height and location of garden, perimeter, and retaining walls.
- C. Reconfiguration or addition of parking lot planters.
- D. Resizing of a minor feature, such as a window, that does not exceed a 10 percent change from the original dimensions.
- E. Repainting a structure or appurtenance in a hue that is substantially similar to the approved project.

21.89.040 Substantial Conformance Request.

An application for a substantial conformance review shall be on a form provided by the city planner, which shall require that information necessary to make the findings specified within this chapter.

21.89.050 Fees.

The City Council may impose by resolution a nonrefundable fee to reimburse the city for its reasonable and necessary costs in receiving, processing, and reviewing applications for a substantial conformance review.

21.89.060 Review Authority and Procedure.

- A. A request for substantial conformance review may be approved by the city planner and shall be processed independently of any other required development permits.
- B. The filing of an application for request for substantial conformance review shall not require public notice.
- C. If necessary to reach a determination on the request for substantial conformance review, the city planner may request:

1. Further information from the applicant, specifying in detail the information that is required.
 2. Information from other city departments and divisions or other agencies.
- D. Conditions of approval cannot be removed or revised as a substantial conformance request.
- E. Within 30 days after receipt of a complete substantial conformance review application, the city planner shall notify the applicant of the decision to approve or deny the request, with the reasons for denial stated according to the findings contained in Section 21.89.070.
- F. If the city planner denies the request, the applicant may pursue the request to change the project by filing an amendment to the authorizing discretionary permit(s) pursuant to Section 21.54.125 of this title.

21.89.080 Required Findings.

A. A project revision may be determined to be consistent with the approved discretionary action if the following findings can be made:

1. That the proposed revision provides an architectural style of development that is substantially consistent with the building forms, building colors, and building materials that were approved as part of the authorizing discretionary action.
2. That the proposed revision complies with all relevant development standards and design criteria and will not result in any health, safety, or welfare impacts.
3. That the proposed revision is consistent with the density, intensity, or use from what was approved as part of the authorizing discretionary action.
4. That the proposed revision is minor and authorizes a deviation or deviations of no more than 10 percent, provided that it is consistent with the authorizing discretionary action and maintains compliance with all relevant development standards. Examples of deviations that may be granted include but are not limited to:
 - a. On an individual lot or structure basis: yards, setbacks, lot coverage and building height (height reductions of greater than 10 percent are permitted).
 - b. On an aggregate project basis: parking, open space, common area, or landscaping, including planting area, quantity and size.
 - c. A deviation permitted under this section does not increase the intensity of the project or have a potentially detrimental effect.
5. That the proposed revision maintains, in their entirety, all of the project conditions required as part of the authorizing discretionary action.
6. That the proposed revision is consistent with the previously evaluated environmental findings and will not result in any significant environmental impact, and/or require further environmental review.
7. That the proposed revision is consistent with the standards set forth in the Village and Barrio Objective Design Standards or the Citywide Objective Design Standards, as applicable.

21.89.090 Public Parks.

Modifications to approved discretionary permits for public parks also may be permitted subject to Section 21.42.140 B. 100 of this title.

21.89.100 Appeal.

The effective date of the city planner's decision and method for appeal of such decision shall be governed by Chapter 21.54.140 of this title.

21.89.110 Severability.

If any section, subsection, sentence, clause, or phrase of this chapter is for any reason held invalid or unconstitutional by the decision of any court of competent jurisdiction, the decision will not affect the validity of the remaining portions of this chapter. The city council declares that it would have passed the ordinance codified in this chapter and each section, subsection, sentence, clause, or phrase contained in it irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared invalid or unconstitutional.

28. That Section 21.201.130 A. 3. of the Carlsbad Municipal Code is amended to read as follows:

21.201.130 Developments appealable to the coastal commission.

A. The following developments, due to their type or location, are within the appeal jurisdiction of the coastal commission. Only decisions approving a coastal development permit for these developments are appealable to the coastal commission, unless otherwise noted. Areas subject to appeal jurisdiction are shown on the post LCP certification map which is on file in the planning division.

3. Developments approved by the city not included within subsection A of this section which are located in a sensitive coastal resource area.

29. That Section 21.210.030 of the Carlsbad Municipal Code is amended to include new subsection C. to read as follows:

21.210.030 Applicability.

C. No removal of habitat, including mowing, shall occur until all the processing and permitting requirements of this chapter are satisfied.

30. That Section 21.210.100 of the Carlsbad Municipal Code is amended to update A.2 to read as follows:

21.210.100 Enforcement measures – Violations and remedies.

A. Whenever the City Planner determines that a violation of this chapter has occurred or an individual has impacted habitat without the benefit of an HMP permit, the following enforcement measures and remedies may be undertaken by the City Planner, in lieu of or in addition to any remedial actions undertaken in accordance with Section 15.16.140 of the municipal code.

1. Stop Work Notice. The City Planner shall issue a stop work order demanding that all activities in violation of this chapter be stopped until a valid HMP permit is obtained and corrective action is authorized by the City Planner.
2. Corrective Action. The City Planner, in consultation with the wildlife agencies, shall determine the extent of corrective action necessary to cure the violation. Corrective action may include a higher mitigation ratio than specified in Table 11 of Section D.6 of the HMP. The owner of the property shall be responsible for correcting any grading, clearing, or removal of habitat on the property, which occurred in violation of this chapter, including a violation which occurred prior to the owner's acquisition of the property and which continues after the acquisition of the property.

31. That all instances of the abbreviation "O-S" in Title 21 of the Carlsbad Municipal Code shall be replaced with "OS."

EFFECTIVE DATE OF THIS ORDINANCE APPLICABLE TO PROPERTIES OUTSIDE THE COASTAL ZONE: This ordinance shall be effective thirty days after its adoption; and the City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

EFFECTIVE DATE OF THIS ORDINANCE APPLICABLE TO PROPERTIES INSIDE THE COASTAL ZONE: This ordinance shall be effective thirty days after its adoption or upon Coastal Commission approval of LCPA 2024-0020, whichever occurs later; and the City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

INTRODUCED AND FIRST READ at a Regular Meeting of the Carlsbad City Council on the 30th day of July, 2024, and thereafter

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024 by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM AND LEGALITY:

CINDIE K. McMAHON, City Attorney

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Faviola Medina, City Clerk Services Director
faviola.medina@carlsbadca.gov, 442-339-5989

Subject: Adoption of Ordinance No. CS-475 Adding Chapter 6.15 to the Carlsbad Municipal Code to prohibit smoking in multi-unit residences

District: All

Recommended Action

Adoption of Ordinance No. CS-475 adding Chapter 6.15 to the Carlsbad Municipal Code to prohibit smoking in multi-unit residences.

Executive Summary

Housing Element Program 1.12 directed the city to consider by December 2023 the merits of an ordinance that would prohibit smoking in multi-family housing throughout the city. To satisfy this requirement, the City Council received a report on Aug. 22, 2023, describing different options to regulate anti-smoking housing environments. At the conclusion of that presentation, the City Council directed staff to prepare an ordinance that would prohibit smoking in and around multi-unit residences throughout the city. The City Council also expressed interest in reviewing potential education and enforcement options.

On July 30, 2024, staff presented a report to respond to that direction and proposed an ordinance for the City Council's consideration that would prohibit smoking in multi-unit residential buildings and in their outdoor common areas. It included an option that would allow for the creation of designated outdoor smoking areas that meet specific criteria.

The proposed ordinance would ban smoking of tobacco and cannabis products, including vaping, inside and outside multi-unit buildings containing three or more units, including apartment buildings, condominiums, townhomes, senior and assisted living facilities and long-term health care facilities. It would apply to both rental and for-sale housing units.

The City Council is now being asked to adopt Ordinance No. CS-475 that was introduced on July 30, 2024, adding Chapter 6.15 to the Carlsbad Municipal Code to prohibit smoking in multi-unit residences.

Explanation & Analysis

Ordinance No. CS-475 was introduced and first read at the City Council meeting held on July 30, 2024. On a motion by Mayor Pro Tem Bhat-Patel, seconded by Council Member Acosta, the City Council voted 4/1, with Council Member Burkholder voting no, to introduce Ordinance No. CS-475 adding Chapter 6.15 to the Carlsbad Municipal Code to prohibit smoking in multi-unit residences. The second reading allows the City Council to adopt the ordinance.

Fiscal Analysis

There is no anticipated fiscal impact from this action.

Next Steps

The City Clerk's Office will certify adoption of the ordinance and will have the ordinance, or a summary of the ordinance prepared by the City Attorney, published in a newspaper of general circulation within 15 days following the adoption of the ordinance.

The ordinance will be effective 30 days following its adoption; however, the ordinance's smoking prohibitions and related requirements would begin Jan. 1, 2025. Prior to then, the city will conduct public outreach to inform tenants, landlords and property managers about the prohibitions.

Environmental Evaluation

In keeping with California Public Resources Code Section 21065, the proposed project to strengthen the city's smoking regulations for indoor air quality does not qualify as a project within the meaning of the California Environmental Quality Act because it has no potential to cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The goal of the proposed amendments to the Municipal Code are to enhance protections for people against the dangers of secondhand smoke, reduce fire hazards, and reduce property damage caused by tobacco smoke. Therefore, the recommended action does not require environmental review.

Exhibit

1. Ordinance No. CS-475
2. Correspondence received July 31, 2024, through Aug. 14, 2024

ORDINANCE NO. CS-475

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, ADDING CHAPTER 6.15 TO THE CARLSBAD MUNICIPAL CODE TO PROHIBIT SMOKING IN MULTI-UNIT RESIDENCES

CASE NAME: SMOKE-FREE MULTI-UNIT HOUSING ORDINANCE
CASE NO.: ZCA2024-0004

WHEREAS, tobacco use causes death and disease and continues to be an urgent public health threat; and

WHEREAS, exposure to secondhand smoke causes death and disease; and

WHEREAS, nonsmokers who live in multi-unit residences can be exposed to neighbors' secondhand smoke; and

WHEREAS, smoking is a leading cause of fire deaths and fire-related injury, and contributes to fire-related health inequities; and

WHEREAS, the U.S. Surgeon General has concluded that eliminating smoking in indoor spaces is the only way to fully protect nonsmokers from secondhand smoke exposure and that separating smokers from nonsmokers, cleaning the air, and ventilating buildings cannot completely prevent secondhand smoke exposures; and

WHEREAS, several studies have confirmed that smoke free multi-unit residential policies are the most effective method to fully reduce secondhand smoke exposure in multi-unit residences; and

WHEREAS, there is no constitutional right to smoke; and

WHEREAS, a local ordinance that authorizes residential rental agreements to include a prohibition on smoking within rental units is not prohibited by California law; and

WHEREAS, local governments have broad latitude to declare nuisances and are not constrained by prior definitions of nuisance.

NOW, THEREFORE, the City Council of the City of Carlsbad, California, ordains as follows that:

SECTION I: The above recitations are true and correct.

SECTION II: The Carlsbad Municipal Code is amended by adding Chapter 6.15 to read as follows:

Chapter 6.15

PROHIBITION OF SMOKING IN MULTIUNIT RESIDENCES

Sections:

- 6.15.010 Purpose and intent.**
- 6.15.020 Definitions.**
- 6.15.030 Smoking restrictions.**
- 6.15.040 Lease agreement requirements.**
- 6.15.050 Noticing requirements for rental properties**
- 6.15.060 Noticing requirements for common interest developments.**
- 6.15.070 Nuisance.**
- 6.15.080 Private enforcement.**
- 6.15.090 Limitations and exceptions.**
- 6.15.100 Rules of construction.**
- 6.15.110 Severability.**

6.15.010 Purpose and intent.

The purpose of this chapter is to prohibit the smoking of tobacco, or any other weed or plant or substance, in multiunit residences or common areas. This chapter protects the public from nonconsensual exposure by reducing the number of locations in the city where exposure to secondhand smoke may occur.

6.15.020 Definitions.

For the purposes of this chapter the following definitions shall govern unless the context clearly requires otherwise:

“Common area” means every enclosed area and unenclosed area of a multiunit residential development that residents of more than one unit are entitled to enter or use, including entryways, halls, pathways, lobbies, courtyards, elevators, stairs, community rooms, playgrounds, gym facilities, swimming pools, pool areas, offices, parking garages, parking lots, grassy or landscaped areas, restrooms, laundry rooms, cooking areas, and eating areas.

“Common interest development” means:

1. A community apartment project as defined in California Civil Code section 4105, or any successor legislation;
2. A condominium project as defined in California Civil Code section 4125, or any successor legislation;
3. A planned development as defined in California Civil Code section 4175, or any successor legislation; and
4. A stock cooperative as defined in California Civil Code section 4190, or any successor legislation.

“Designated smoking area” means an area where smoking is permitted, as designated by a landlord, HOA or other person with legal control of the premises and has been established and maintained in accordance with the provisions of this chapter.

“Electronic smoking device” means any device that may be used to deliver any aerosolized or vaporized substance to the person inhaling from the device, including an e-cigarette, e-cigar, e-pipe, vape pen, or e-hookah.

“Enclosed area” means all space between a floor and a ceiling that is bounded by walls, doorways, or windows, whether open or closed, covering more than 50 percent of the combined surface area

of the vertical planes constituting the perimeter of the area. A wall includes any retractable divider, garage door, or other physical barrier, whether temporary or permanent.

“Existing unit” means a unit in existence on or before January 1, 2025.

“Homeowners’ association” or “HOA” means an organization or entity established for the purpose of managing or maintaining a common interest development. A homeowners’ association shall also mean “association” as defined in California Civil Code section 4080, or any successor legislation.

“Landlord” means any person or agent of a person who owns, manages, or is otherwise legally responsible for a unit in a multiunit residence leased to a residential tenant. For purposes of this ordinance, a tenant who sublets their unit (e.g., a sublessor) is not a landlord.

“Multiunit residential development” means property containing three or more units, including apartment buildings, common interest developments, senior and assisted living facilities, and long-term health care facilities. Multiunit residential developments do not include the following:

1. a hotel or motel that meets the requirements of California Civil Code section 1940(b)(2);
2. a mobile home park;
3. a campground;
4. a duplex building designed exclusively for occupancy by two households living independently of each other and containing two units; except if one unit is used as a health care facility subject to licensing requirements;
5. a single-family home designed as a free-standing unit which is separated (detached) from any other unit, except if used as a health care facility subject to licensing requirements; and
6. a single-family home with an accessory dwelling unit and/or junior accessory dwelling unit permitted pursuant to California Government Code sections 65852.1, 65852.2, or 65852.22 or Section 21.10.030 of this code, except where the accessory dwelling unit or junior accessory dwelling unit is used as a health care facility subject to licensing requirements.

“New lease” means any lease or rental agreement or renewal or extension of lease or rental agreement that allows a person to occupy a unit that is entered into on or after January 1, 2025.

“New unit” means a unit that is issued a certificate of occupancy and approved for occupancy after January 1, 2025, or any unit that is leased or rented for residential use for the first time after January 1, 2025.

“Nonsmoking area” means any area in which smoking is prohibited by

1. this chapter or another law;
2. binding agreement relating to the ownership, occupancy, or use of real property; or
3. a person with legal control over the area.

“Person” means any natural person, partnership, cooperative association, corporation, personal representative, receiver, trustee, assignee, or any other legal entity, including government agencies.

“Rent” means the consideration charged, whether or not received, for the use or possession or the right to the use or possession of any room or rooms or portion thereof for dwelling, lodging, or sleeping purposes, valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, and property and services of any kind of nature, without any deduction therefrom whatsoever.

“Smoke” or “smoking” means and includes (1) inhaling, exhaling, or burning, any tobacco, nicotine, cannabis or plant product, or other substance, whether natural or synthetic; (2) carrying any lighted, heated or activated tobacco, nicotine, marijuana, or plant product, or other substance, whether natural or synthetic, intended for inhalation; or (3) using an “electronic smoking device.”

“Unenclosed area” means any area that is not an enclosed area.

“Unit” means a personal dwelling space, even one lacking cooking facilities or private plumbing facilities, and includes any associated exclusive-use area, such as a private balcony, porch, deck, garage, parking space, or patio. “Unit” includes, without limitation, an apartment; a condominium; a townhouse; a room in a senior facility; a room in a long-term health care facility, assisted living facility, community care facility, or hospital; a room in a hotel or motel; a dormitory room; a room in a single-room occupancy facility; a room in a homeless shelter; a mobile home; a camper vehicle or tent; a single-family home; and an accessory dwelling unit or junior accessory dwelling unit.

6.15.030 Smoking restrictions.

- A. Effective January 1, 2025, smoking is prohibited anywhere on the premises of a multiunit residential development as follows:
 - 1. In all new units;
 - 2. In all existing owner-occupied units within a common interest development;
 - 3. In all existing tenant-occupied units governed by a new lease or renewal or extension of lease or month to month tenancy; and
 - 4. In all common areas.
- B. Notwithstanding subsection A, smoking is permitted in designated smoking areas if they meet the following conditions:
 - 1. Are not an enclosed area;
 - 2. Are at least twenty-five feet from any:
 - a. doorway, window, opening, or other vent into an enclosed area, including an enclosed area not regulated by this chapter;
 - b. enclosed or unenclosed recreation area such as a tennis court, swimming pool, and picnic area; or
 - c. enclosed or unenclosed area primarily used by children such as a playground.
 - 3. Have a clearly marked perimeter;
 - 4. Are identified by conspicuous signs installed and maintained by the landlord, HOA or other person with legal control over the designated smoking area; and
 - 5. Have receptacles designed for and primarily used for disposal of smoking waste and that are maintained free of smoking-related litter, including cigarette butts.
 - 6. Must not overlap with any area in which smoking is otherwise prohibited by this chapter or other provisions of state or federal law.
- C. No person with legal control over any nonsmoking area of a multiunit residential development shall permit smoking in the nonsmoking area, except as provided in subsection B.
- D. No person with legal control over a common area in which smoking is prohibited by this chapter or other law shall permit the presence of ashtrays, ashcans, or other receptacles designed for or primarily used for disposal of smoking waste within the area.

6.15.040 Lease agreement requirements.

- A. After January 1, 2025, every lease or other rental agreement for the occupancy of a unit in a multiunit residential development entered into, renewed, or continued month-to-month shall include the following provisions:

1. A clause providing that it is a material breach of the agreement for the tenant to knowingly and intentionally allow, or engage in, smoking in the unit, including exclusive-use areas such as balconies, porches, or patios. The clause shall be substantially similar to the following:

It is a material breach of this agreement for tenant to engage in smoking in the unit or exclusive use areas such as balconies, porches, or patios. Moreover, it is a material breach of this agreement for tenant to knowingly or intentionally allow any other person subject to the control of the tenant to engage in smoking in the unit or exclusive use areas such as balconies, porches, or patios.
2. A clause providing that it is a material breach of the agreement for tenant to knowingly and intentionally allow, or engage in, smoking in any common area of the multiunit residence, including entryways, playgrounds, pool areas, walking paths, or sitting areas, except in an outdoor designated smoking area. The clause shall be substantially similar to the following:

It is a material breach of this agreement for tenant to engage in smoking in any common area of the property, including entryways, playgrounds, pool areas, walking paths, or sitting areas, except in an outdoor designated smoking area, if one exists. In addition, it is a material breach of this agreement for tenant to knowingly or intentionally allow any other person subject to the control of the tenant to engage in smoking in any common area of the property, including entryways, playgrounds, pool areas, walking paths, or sitting areas, except in an outdoor designated smoking area, if one exists.
3. A clause providing that it is a material breach of the agreement for tenant to violate any law regulating smoking while anywhere on the property, or to allow any other person subject to the control of the tenant to engage in such behavior. The clause shall be substantially similar to the following:

It is a material breach of this agreement for tenant to violate any law regulating smoking while anywhere on the property. Moreover, it is a material breach of this agreement for tenant to knowingly or intentionally allow any other person subject to the control of the tenant to violate any law regulating smoking while anywhere on the property. Tenant will inform tenant's guests and/or subleases of the non-smoking policy. Tenant will also promptly give landlord a written statement of any incident where tenant observes smoking not allowed by this policy or believes smoke is migrating into the tenant's unit from sources outside the tenant's unit.

Violation of the above is just cause for the landlord to refuse to renew a lease for another lease term or to terminate tenancy. Landlord shall first provide an opportunity to the tenant to cure the violation, then may issue a notice of non-renewal or to terminate tenancy for a subsequent violation.
4. A clause expressly conveying third-party beneficiary status to all occupants of the multiunit residential development as to the smoking provisions of the lease or other rental agreement. The clause shall be substantially similar to the following:

Other occupants of the property are express third-party beneficiaries of the provisions in this agreement regarding smoking. As third-party beneficiaries, other occupants of the property may enforce the smoking provisions by any lawful means, including by bringing a civil action in a court of law against the tenant or occupant smoking or the person knowingly or intentionally allowing any other person subject to the control of the tenant to violate any law regulating smoking while anywhere on the property. This provision does not create a private right of action for a tenant or occupant against the

landlord for any damages the tenant or occupant may suffer due to another tenant's breach of any smoking provision.

- B. Whether or not a landlord complies with subsection A above, the clauses required by subsection A shall be implied and incorporated by law into every agreement to which subsection A applies as of January 1, 2025.
- C. A tenant who breaches, or allows any other person subject to the control of the tenant to breach, a smoking provision of a lease or other rental agreement for the occupancy of a unit in a multiunit residential development shall be liable for the breach to (1) the landlord; and (2) any occupant of the multiunit residential development who is exposed to smoke or who suffers damages as a result of the breach. This chapter does not create a private right of action for a tenant or other occupant against a landlord for any damages the tenant or occupant may suffer due to another tenant's breach of any smoking provision in a lease or other rental agreement, so long as the landlord has fully complied with the terms of this chapter.
- D. Failure to enforce any smoking provision required by this chapter shall not affect the right to enforce the provision in the future, nor shall a waiver of any breach constitute a waiver of any subsequent breach or a waiver of the provision itself.

6.15.050 Noticing requirements for rental properties.

The following requirements apply to multiunit residential developments, other than units in a common interest development that are not being rented:

- A. On or before January 1, 2025, every landlord shall deliver to each unit a written notice clearly stating:
 - 1. All new units and existing units governed by a new lease or other rental agreement are designated nonsmoking units and smoking is prohibited in a unit, including any associated private balcony, porch, deck, or patio, as of January 1, 2025; and
 - 2. Smoking in all common areas or outdoor areas except for specifically designated smoking areas, is prohibited as of January 1, 2025.
- B. As of January 1, 2025, the person or persons with legal control over common areas shall post and maintain clear and unambiguous "No Smoking" signs at entrances and exits, in sufficient numbers and locations in common areas, and in conspicuous places adjoining the property grounds to make it obvious to a reasonable person that smoking is prohibited. The absence of signs shall not be a defense to a violation of any provision of this chapter. "No Smoking" signs are not required inside or on doorways of units.
- C. Landlords with knowledge of violations shall take reasonable steps to investigate and enforce the regulations, including a written notice to the resident of the landlord's knowledge of the violation, a request to cease the violation, and the course of action to be taken if the violation is not corrected, including but not limited to eviction for failure to cease smoking on the property. The landlord shall also distribute resources provided for free by the city to assist with nicotine dependence, such as referrals to a quitline or online resources.

6.15.060 Requirements for common interest developments.

The following requirements apply to common interest developments:

- A. On or before January 1, 2025, the HOA shall provide to all owners of units a written notice clearly stating that:

1. Smoking is prohibited in units, including any associated private balcony, porch, deck, or patio, as of January 1, 2025; and
 2. Smoking is prohibited in all common areas, except for specifically designated smoking areas, as of January 1, 2025.
- B. As of January 1, 2025, every seller of a unit shall provide prospective buyers or renters, a written notice clearly stating that:
1. Smoking is prohibited in units, including any associated private balcony, porch, deck, or patio, as of January 1, 2025; and
 2. Smoking is prohibited in all common areas, except for specifically designated smoking areas, as of January 1, 2025.
- C. Every covenant, condition and restriction (CC&R) applicable to a multiunit residential development adopted or amended after January 1, 2025, shall include the conditions set forth below:
1. A clause providing that it is a material breach of the CC&Rs to allow or engage in smoking in any unit, including exclusive-use areas, such as balconies, porches, or patios;
 2. A clause providing that it is a material breach of the CC&Rs for an occupant or any other person subject to the control of the occupant to engage in smoking in any common area of the multiunit residence other than a designated smoking area;
 3. A clause providing that it is a material breach of the CC&Rs for an occupant or any other person subject to the control of the occupant to violate any law regulating smoking while anywhere on the property; and
 4. A clause expressly conveying third-party beneficiary status to all occupants of the multi-unit residential development as to the smoking provisions of the CC&Rs.
- D. As of January 1, 2025, the HOA, or any person having legal ownership or control over common areas, shall post and maintain clear and unambiguous “No Smoking” signs in sufficient numbers and locations in the common interest development to make it obvious to a reasonable person that smoking is prohibited throughout the common interest development. The absence of signs shall not be a defense to a violation of any provision of this chapter.
- E. HOAs with knowledge of violations shall take reasonable steps to investigate and enforce the regulations, including a written notice to the resident of the HOA’s knowledge of the violation, a request to cease the violation, and the course of action to be taken if the violation is not corrected. The HOA shall also distribute resources provided for free by the city to assist with nicotine dependence, such as referrals to a quitline or online resources.
- F. An owner-occupant who breaches or allows any other person subject to the control of the owner-occupant to breach a smoking provision of the CC&R shall be liable for the breach to (1) the HOA; and (2) any occupant of the multiunit residence who is exposed to smoke or who suffers damages as a result of the breach. This chapter does not create a private right of action for an owner-occupant or other occupant against a HOA for any damages the owner-occupant or occupant may suffer due to another owner-occupant's breach of any smoking provision, so long as the HOA has fully complied with the terms of this chapter.
- G. Failure to enforce any smoking provision required by this chapter shall not affect the right to enforce the provision in the future, nor shall a waiver of any breach constitute a waiver of any subsequent breach or a waiver of the provision itself.

6.15.070 Nuisance.

- A. Any smoking in violation of this chapter is a public nuisance.
- B. Nonconsensual exposure to smoke from smoking occurring on or drifting into residential property is a nuisance.

6.15.080 Private enforcement.

- A. Any person, including a legal entity, organization, or a government agency, acting for the interests of itself, its members, or the general public, may bring a civil action against any tenant or owner-occupant violating the provisions of this chapter. Upon proof of a violation, a court shall award the following:
 - 1. Damages in the amount of either:
 - a. Upon proof, actual damages; or
 - b. With insufficient or no proof of actual damages, \$500 for each violation of this chapter ("Statutory Damages"). Each day of a continuing violation is a separate violation. Notwithstanding any other provision of this chapter, no person suing on behalf of the general public shall recover Statutory Damages based upon a violation of this chapter if a previous claim brought on behalf of the general public by another person for Statutory Damages and based upon the same violation has been adjudicated, whether or not the person bringing the subsequent claim was a party to the prior adjudication.
 - 2. Exemplary damages, where it is proven by clear and convincing evidence that the defendant (i.e., person violating this chapter) is guilty of oppression, fraud, malice, retaliation, or conscious disregard for the public health.
 - 3. This section does not create a private right of action for a tenant against a landlord, or an owner-occupant against a HOA, for any damages the tenant or owner-occupant may suffer due to another occupant's breach of any smoking provision in a lease or other rental agreement or CC&R, so long as the landlord or HOA has fully complied with the terms of this chapter.
- C. The person may also bring a civil action to enforce this chapter by way of a conditional judgment or an injunction. Upon proof of a violation, the court shall issue a conditional judgment or an injunction.
- D. Notwithstanding any legal or equitable bar against a person seeking relief on their own behalf, a person may bring an action to enforce this chapter solely on behalf of the general public. When a person brings an action solely on behalf of the general public, nothing about such an action shall act to preclude or bar the person from bringing a subsequent action based upon the same facts but seeking relief on their own behalf.
- E. Nothing in this chapter shall prohibit a person from bringing a civil action in small claims court to enforce this chapter, so long as the amount in demand and the type of relief sought are within the jurisdiction of that court.
- F. No person may bring an action pursuant to this section unless that person has first made a good faith attempt to resolve the situation informally with the offending party, including written notice of this section to the offending party and a written request to cease smoking in the multiunit residential development at least 30 days before filing suit.
- G. No person shall intimidate, harass, or otherwise retaliate against any person who seeks compliance with this chapter.

6.15.090 Limitations and exceptions.

Nothing in this chapter shall limit or preclude the enforcement of any other applicable laws or limit the remedies available for violations of this chapter, including the enforcement provisions of Chapter 1.10 of this code. Nothing in this chapter shall create a right of action in any person against the city or its agents to compel public enforcement of this chapter against private parties.

6.15.100 Rules of construction.

The provisions of this chapter shall be liberally construed to protect the public health to the maximum extent possible. Notwithstanding (1) any provision of this chapter or of this code, (2) any failure by any person to restrict smoking under this chapter, or (3) any explicit or implicit provision of this code that allows smoking in any place, nothing in this code shall be interpreted to limit any person's legal rights under other laws with regard to smoking, including rights in nuisance, trespass, property damage, and personal injury or other legal or equitable principles.

6.15.110 Severability.

If any portion of this chapter, or its application to particular persons or circumstances, is held to be invalid or unconstitutional by a final decision of a court of competent jurisdiction, the decision will not affect the validity of the remaining portions of this chapter or the application of this chapter to persons or circumstances not similarly situated.

EFFECTIVE DATE: This ordinance shall be effective thirty days after its adoption; and the City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

INTRODUCED AND FIRST READ at a Regular Meeting of the Carlsbad City Council on the 30th day of July, 2024, and thereafter

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM AND LEGALITY:

CINDIE K. McMAHON, City Attorney

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

Tammy Cloud-McMinn

From: Molly Kirkland <mirkland@socalrha.org>
Sent: Wednesday, July 31, 2024 11:12 AM
To: Mike Strong
Subject: Re: Smoke-Free Multi-Unit Housing Proposal in Development

Thanks for the update. I'm happy to help with the site.

On Jul 31, 2024, at 1:07 PM, Mike Strong <Mike.Strong@carlsbadca.gov> wrote:

Council approved the ordinance 4-1 as proposed. No changes. I will follow-up with more information. I might even share a beta-version of our website and it may be helpful to hear if it has everything that is needed or if you have suggestions on improvements.

<image001.gif>

Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Molly Kirkland <mirkland@socalrha.org>
Sent: Wednesday, July 31, 2024 10:04 AM
To: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

Hi Mike,

Can you share the outcome from yesterday? Apologies again I couldn't be there and I wasn't in a place I could tune in.

Thanks!
Molly

From: Mike Strong <Mike.Strong@carlsbadca.gov>
Sent: Thursday, July 18, 2024 3:39 PM
To: Molly Kirkland <mirkland@socalrha.org>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

I'll send you an appointment for 2 pm Monday.

I think I accepted all of your changes, if not nearly all of them. They were really helpful.

Thanks.

<image001.gif>

Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Molly Kirkland <mkirkland@socalrha.org>
Sent: Thursday, July 18, 2024 3:33 PM
To: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

Okay, thanks. Unfortunately, I have to be out of town that day for a conference so I will try and find someone to attend in my place.

Tomorrow is tough. Monday is fairly open with the exception of 11-Noon. I can do Tuesday afternoon. Wednesday, Thursday, and Friday are pretty open.

From: Mike Strong <Mike.Strong@carlsbadca.gov>
Sent: Thursday, July 18, 2024 3:29 PM
To: Molly Kirkland <mkirkland@socalrha.org>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

The date appears to be certain and wont change.

It might be good for us to have a quick call (virtual meeting) and run through your comments and see how they were incorporated. Are you available tomorrow or sometime next week?

<image001.gif>

Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Molly Kirkland <mkirkland@socalrha.org>
Sent: Wednesday, July 17, 2024 12:22 PM
To: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

Hi Mike,

Hope all is well. I see that the tentative date was moved to July 30. What's the likelihood of that date at this point? Is the new draft available for review?

Many thanks!

Molly Kirkland, Director of Public Affairs

Southern California Rental Housing Association

9655 Granite Ridge Drive #200, San Diego, CA 92123

Office: 858.278.8070 | Direct: 858.751.2200

mkirkland@socalrha.org | www.socalrha.org

From: Mike Strong <Mike.Strong@carlsbadca.gov>
Sent: Friday, May 31, 2024 11:21 AM
To: Molly Kirkland <mkirkland@socalrha.org>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

We are targeting June 25th.

I will send a follow-up email that shows tracked changes to the draft ordinance. Most if not all of your requested revisions were incorporated.

<image001.gif>

Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Molly Kirkland <mkirkland@socalrha.org>
Sent: Friday, May 31, 2024 11:16 AM
To: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: RE: Smoke-Free Multi-Unit Housing Proposal in Development

Hi Mike,

I hope this message finds you well. Any updates on when we might another draft or when this might be presented to council?

Thanks again for including us in this process.

Best,

Molly Kirkland, Director of Public Affairs

Southern California Rental Housing Association

9655 Granite Ridge Drive #200, San Diego, CA 92123

Office: 858.278.8070 | Direct: 858.751.2200
mirkland@socalrha.org | www.socalrha.org

From: Mike Strong <Mike.Strong@carlsbadca.gov>
Sent: Wednesday, May 1, 2024 9:50 AM
To: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: Re: Smoke-Free Multi-Unit Housing Proposal in Development

Blind copied property managers, landlords, and HOA billing parties:

On April 8th I sent an email notifying you that the city had begun working on a draft ordinance proposal to potentially ban or limit where smoking could occur on multi-unit residential properties. The public review period was set for two weeks.

We received 27 emails expressing support or opposition to the proposal. We are in the process of reviewing each correspondence.

This email is to let you know that we received your comment letter. (All that responded with comments are being sent this email.)

Thanks.

<image001.gif>

Mike Strong

Assistant Director of Community Development

Community Development Department

1635 Faraday Ave.

Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Mike Strong
Sent: Monday, April 8, 2024 11:57 AM
Cc: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: Smoke-Free Multi-Unit Housing Proposal in Development

Good morning, property manager and multi-unit landlords or homeowner:

The City of Carlsbad is working on developing an ordinance (city law) that would ban smoking (including vaping) inside and outside apartments, condos and other multi-unit homes, except for certain designated outdoor spaces. The ordinance is now available for public review and comment. It is attached to this email.

Before submitting the ordinance to the City Council, city staff is reaching out to property managers and multi-unit landlords and homeowners to review the proposal and to take public input. (The ordinance ultimately presented to City Council may change based on public feedback.) You are receiving this email because you own a multi-unit building or unit within a multi-unit building or manage the property and may be impacted by such smoking prohibition or may be interested in the ordinance.

What kinds of properties are included in the draft ordinance? Property containing three or more residential units, including:

1. Apartment buildings
2. Condos
3. Senior and assisted living facilities
4. Long-term health care facilities
5. Single family homes licensed as care facilities

What is not included? Multiunit residences do not include the following:

1. Hotels and motels
2. Mobile home parks
3. Campgrounds
4. Single family homes (including those with accessory dwelling units)

Where would smoking be banned?

1. In units
2. Private balconies
3. Porches
4. Decks
5. Patios
6. Common areas (except those designated as smoking areas).

If approved, the new rules would go into effect Jan. 1, 2025.

Over the next two weeks, city staff are engaging stakeholders in a full review of the draft ordinance in an effort provide additional opportunities for education and input. **All interested persons are invited to review the draft ordinance (attached) and provide feedback between April 8th and April 22nd.** If you would like to provide comment during the public review period, please email mike.strong@carlsbadca.gov prior to 5:00 p.m. on April 22, 2024.

After the public review period you will also be invited to attend the hearing and comment upon any proposed action, express opinions, or submit evidence for or against the matter as outlined above. For this reason, we will continue to use this email distribution list to provide status updates, provide notice of the public hearing for ordinance introduction, and share the City Council's decision. If you would like to be removed from this email distribution list, please let me know.

You may also visit the following link for project updates.

<image001.gif>

Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

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Tammy Cloud-McMinn

From: Pamela Martin <pamelakaymartin@gmail.com>
Sent: Thursday, August 1, 2024 9:55 AM
To: Mike Strong
Subject: Re: AMENDMENT TO THE CARLSBAD MUNICIPAL CODE TO PROHIBIT SMOKING IN MULTIUNIT RESIDENCES

Hi Mike,

It is my understanding that the smoking ordinance passed by a vote of three to two. And with the proviso that enforcement options two and three. Does this Ordinance require another vote to be enacted?

I am responding to a story that seems lopsided to say the least.

<https://www.nbcsandiego.com/news/local/carlsbad-considers-ban-smoking-multi-unit-homes/3583699/>

On Wed, Jul 31, 2024 at 9:20 AM Mike Strong <Mike.Strong@carlsbadca.gov> wrote:

I will send over the signed ordinance after the second reading.

The ordinance attached to last night's report/presentation included options 2 and 3. So it remains intact. The word document is attached.



Mike Strong

Assistant Director of Community Development

Community Development Department

1635 Faraday Ave.

Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

From: Pamela Martin <pamelakaymartin@gmail.com>

Sent: Tuesday, July 30, 2024 7:19 PM

To: Mike Strong <Mike.Strong@carlsbadca.gov>

Subject: AMENDMENT TO THE CARLSBAD MUNICIPAL CODE TO PROHIBIT SMOKING IN MULTIUNIT RESIDENCES

Dear Mr. Strong,

Thank you for your excellent presentation regarding Item #10 of the Municipal Code.

Would you please send me the updated wording of the code including the wording of the enforcement options as soon as available.

Thank you very much.

Regards,

--

Pamela Kay Martin
619-987-7936

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--

Pamela Kay Martin
619-987-7936

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Tammy Cloud-McMinn

From: Casie Hauser <casie.hauser44@gmail.com>
Sent: Saturday, August 3, 2024 9:16 PM
To: Mike Strong
Subject: Carlsbad new smoking law

So if someone has a prescribed medical marijuana card from their doctor, how can you make it illegal to smoke in your own home ? That goes against the law . Tell me how your going to add stipulation, regarding the law ?

Sent from my iPhone

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Tammy Cloud-McMinn

From: Sheila Cobian
Sent: Monday, August 5, 2024 11:10 AM
To: City Clerk
Subject: FW: Smoking in Rentals

To be included as correspondence with the Ordinance for Adoption report on Aug. 20

From: Beckysue <rsneary1956@gmail.com>
Sent: Sunday, August 4, 2024 6:40 PM
To: Council Internet Email <council@carlsbadca.gov>
Subject: Smoking in Rentals

I do not live in Carlsbad but am glad you are trying to address smoking in shared spaces.

One woman interviewed on tv was saying it would violate her civil rights but if persons choose to use tobacco or marijuana it need not be smoked.

Thanks for leading the way on this!

Rebecca Neary
Jamul CA

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Tammy Cloud-McMinn

From: Peggy Walker <pwalker323@yahoo.com>
Sent: Monday, August 5, 2024 12:12 PM
To: Mike Strong
Subject: Quick question re SF MUH

Hello Mike,

Can you tell me what kind of enforcement MUH owners can take if a resident fails to comply and-- does the new SF MUH ordinance include city administrative enforcement such as a fine when residents don't comply? I'm wondering if that's the case thereby taking undue burden off of those residents who have complaints but are unlikely to take legal action?

Thank you.

Best Regards,

Peggy Walker
Policy Research Associate
Public Health Educator
San Dieguito Alliance for Drug Free Youth
PO Box 2448, Del Mar 92014
858 342 1822 Cell

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Tammy Cloud-McMinn

From: William Creagan <willc@southwestep.com>
Sent: Monday, August 5, 2024 4:47 PM
To: Mike Strong
Subject: RE: Smoke-free Housing Ordinance

Ok Mike, so you pass an ordinance and then tell the property managers "You need to enforce this"...
Good luck.
This is another clear case of Government overreach.

WILL CREAGAN
Chairman | Broker of Record
CA DRE Lic. No. 00949450

SOUTHWEST EQUITY PARTNERS
Property Management | Investments | Brokerage

380 Stevens Avenue, Suite 311
Solana Beach, CA 92075

cell: 760.419.5300
willc@southwestep.com

CA DRE# 01523691



From: Mike Strong <Mike.Strong@carlsbadca.gov>
Sent: Monday, August 5, 2024 1:33 PM
Cc: Mike Strong <Mike.Strong@carlsbadca.gov>
Subject: Smoke-free Housing Ordinance

Caution: External Sender. Please do not click on links or open attachments from senders you do not trust.

Good afternoon:

On July 30, the City Council had a public hearing and introduced the smoke-free multi-unit building ordinance. The City's ordinance was modeled after similar ordinances successfully implemented in over 80 cities throughout the state.

The ordinance treats cannabis the same as tobacco and rental properties the same as owner occupied properties, with the objective of addressing the well-established, harmful effects of second hand and thirdhand smoke on public health. During the city's extensive outreach efforts, the city learned many

multifamily rental properties already prohibit smoking in units. However, the ordinance does not prohibit rental property owners or homeowners' associations from creating outdoor smoking areas in appropriate locations.

In general, enforcement of city laws has traditionally been a complaint-driven process. That is, police officers or code enforcement officers only respond when complaints are registered. However, because the Police Department and Code Enforcement Division currently have minimal resources to conduct additional enforcement efforts, the ordinance that was introduced last week recommended shifting the enforcement role to property managers, landlords, and HOAs, rather than the city taking the lead. By including these provisions in lease agreements, smoking becomes a violation of both the lease and the local ordinance and is considered a nuisance. As an alternative enforcement mechanism, enforcement would also be extended to those individuals that are directly affected by the violations of the smoke-free housing ordinance through a "third-party" beneficiary provision.

If you have any questions, please feel free to reach out to me and send me an email.

Thanks



Mike Strong
Assistant Director of Community Development
Community Development Department
1635 Faraday Ave.
Carlsbad, CA 92008

442-339-2721 direct | mike.strong@carlsbadca.gov

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Tammy Cloud-McMinn

From: Paul Capano <prcapano@gmail.com>
Sent: Monday, August 5, 2024 5:00 PM
To: Mike Strong
Subject: Smoking Ban Ordinance

Councilman Strong,

I'm reaching out today regarding the city ordinance banning smoking/vaping in multi dwelling units.

I seek a deeper understanding of the ordinance, its inception, desired outputs and enforcement.

Additionally would like to understand why something with such a privacy concern, optics of an overreach of government in the privacy of a home, was this not on a ballot?!? How do we get this on a ballot?

As it applies to enforcement? It states the local police will not enforce? Do City inspectors? Who does this enforcement ? What is process for those not in compliance?, citation? fine?

Further, how does this apply to those that have prescribed medications? That have to take 2-3 times a day?

I know elderly that have medical cannabis prescribed and need to smoke multiple times daily? How are they to do this if it is banned in their own home? Do people have to smoke always outside now? Do you use the same common area as those smoking cigarettes, cigars, vapes?

I appreciate your reading this and look forward to a reply

Paul Capano

714-337-9999

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CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Nathan Pearson, Fire Division Chief
nathan.pearson@carlsbadca.gov, 442-339-2241

Subject: Resuscitation Outcomes, 2023-2024

Districts: All

Recommended Action

Receive a report describing recent outcomes of emergency medical services patients in cardiac arrest.

Executive Summary

The history of paramedicine is closely linked to the survival of patients experiencing cardiac arrest. Since its inception, paramedicine has focused on improving the survival of out-of-hospital cardiac arrests, and this measure remains a key indicator of system success worldwide.

The Carlsbad Fire Department has experienced sustained improvement in this area in recent years. Through timely response, enhanced training and equipment, public engagement, and tracking by the Community Health Nurse, the department has seen continuing improvement in outcomes, a positive trend that has exceeded national, state and regional averages in standardized measures.

Explanation and Analysis

Measures of success

In emergency medicine, a common indicator used to determine one's resuscitation success rate is called sustained "return of spontaneous circulation." This measures how often a patient without a heartbeat is treated with cardiopulmonary resuscitation and advanced life support and regains a pulse.

In a 2022 memo to the City Council, the Fire Department reported that, between 2017 and 2022, the rates of return of spontaneous circulation had shown a downward trend. In response, Fire Department personnel, including the Community Health Nurse, established additional tracking, training and public engagement efforts. This has led to a marked improvement in outcomes. Significantly, this improvement has continued, currently exceeding regional, state and national averages.

In 2023, the Fire Department responded to 133 medical cardiac arrests. Of those, 109 met the medical criteria for treatment within San Diego County paramedic protocols.

There are two standard measures that the department monitors to determine performance in cardiac arrest scenarios:

- Survival to discharge, neurologically intact. This is a measure of cases in which CPR was performed in the field and the patient subsequently left the hospital with a healthy level of mental function.
- Utstein survival rate. This measure takes into consideration cardiac activity upon first contact and bystander CPR actions to look more specifically at circumstances in which the patient could potentially benefit from further intervention.

The table below shows the survival rates among cardiac resuscitation patients who are considered treatable during cardiac arrest under nationally accepted criteria:

Carlsbad survival rates comparison - 2023

	Carlsbad Fire	Countywide	California	National
Survival to discharge, neurologically intact	21.80%	7.40%	6.50%	8.10%
Utstein survival rate	64.30%	43.30%	32.10%	32.80%

Contributing factors

The most obvious contributing factor is the timely response and performance of our emergency medical services personnel. However, the successful resuscitation of a patient also depends on what occurs before paramedics arrive.

The chance of surviving a cardiac arrest greatly increases with the immediate application of CPR and an automated external defibrillator by bystanders, guided by fire dispatch staff. The broad distribution of defibrillators, such as in Police Department vehicles, and the increased likelihood of interventions by bystanders because of educational programs such as “Sidewalk CPR” and the countywide “Revive and Survive” program, which the Carlsbad Fire Department supports, are also significant contributors to these improved outcomes.

While the Fire Department is encouraged by the increase in these measures of survival for cardiac patients, it must be acknowledged that despite the department’s best efforts, not every outcome is positive.

Examples

The following are short synopses of some successful cases.

July 2024, 64-year-old male

Recently, while spending the day with his family at a local beach, the patient came out of the water and collapsed on the sand. State lifeguards began CPR and provided one defibrillation. City lifeguards and Carlsbad Fire personnel from Station 7 arrived within four minutes. Fire personnel provided CPR and advanced life support, including eight additional defibrillations. The patient was transported to the emergency room with his pulse returned and was responding well. The patient continues to improve daily as he awaits heart surgery.

June 2024, 74-year-old male

While playing softball at a local park, the patient collapsed on the field. Teammates trained in hands-only CPR-initiated care. Carlsbad Police officers arrived and used the defibrillator from a patrol vehicle, delivering one defibrillation before paramedics arrived. Carlsbad Fire personnel assumed care, continued CPR, established access for medications, and transported the patient to an emergency room. The patient became alert upon arrival at the hospital and was discharged home.

June 2023, 69-year-old male

The patient collapsed during a pickleball game and other players initiated CPR. Carlsbad Fire personnel arrived, provided CPR, completed three defibrillations and treated the patient with medications. The patient had a pulse upon arrival at the emergency room and was discharged to go home four days later.

June 2023, 49-year-old male

The patient became unconscious while dining at a local restaurant. A Carlsbad pool lifeguard was at the restaurant and began CPR. Carlsbad Police officers arrived shortly after and continued CPR and used the defibrillator from the patrol vehicle to provide one defibrillation. The patient regained consciousness and Carlsbad Fire personnel transported him to the ER for treatment. The patient was ultimately discharged with an implanted defibrillation device.

March 2023, 28-year-old female

The patient was discovered by her family members to be unresponsive and not breathing. Carlsbad Police officers arrived and administered Narcan, a medicine that rapidly reverses an opioid overdose. Paramedics arrived, determined the patient to be in cardiac arrest, and began CPR with additional medical interventions. The patient's pulse returned en route to the hospital. The patient was treated at the hospital and discharged.

Fiscal Analysis

There is no fiscal impact associated with receiving this report.

Next Steps

The Fire Department will continue to monitor the performance of the EMS system and implement evidence-based improvements to the care it provides to the community. The department will also continue to support education and training in CPR and the placement of automated external defibrillators throughout the city.

Environmental Evaluation

This action does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

None



CITY COUNCIL
Staff Report

Meeting Date: Aug. 20, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Mandy Mills, Housing & Homeless Services Director
 mandy.mills@carlsbadca.gov, 442-339-2907
 Reid Shipley, Assistant Police Chief
 reid.shipley@carlsbadca.gov, 442-339-2257

Subject: Progress Report on Actions to Address Concerns Related to the Windsor Pointe Affordable Housing Project

District: 1

Recommended Action

Receive a progress report on City Council directed actions related to the Windsor Pointe Affordable Housing Project.

Executive Summary

When the Windsor Pointe affordable apartments opened in Spring 2022, community members expressed concerns about safety and other negative effects on the neighborhood's quality of life.

The apartments are owned by Carlsbad Veteran Housing, L.P. and operated by Affirmed Housing Group, Inc., a company specializing in providing affordable housing, including 22 projects offering housing with supportive services for people experiencing homelessness.¹ City staff have worked with Affirmed Housing to address these concerns and collaborate on solutions. By early 2024, this collaboration resulted in some improvements, but many concerns remained unresolved.

The City Council requested the project be placed on its meeting agenda so there could be a full public review and evaluation of the city's options. At that meeting, held March 12, 2024, the City Council directed staff to pursue actions related to security, the level of supportive services provided and changes to how applicants receive priority for tenancy.

The City of Carlsbad has some leverage to request changes because it provided a loan to the project and has a ground lease with the project owner. But, because the project also used funding from the No Place Like Home program issued by the County of San Diego, the city

¹ Affirmed Housing is the Manager of AHG Windsor Pointe, LLC, which is Carlsbad Veteran Housing's Administrative General Partner.

cannot require some of the operational changes desired by the City Council. However, Affirmed Housing and its property management company recognize the importance of being a good neighbor and have demonstrated an openness to many of the city's suggestions. The city has also engaged with the County of San Diego to request more appropriate services be provided to the tenants referred to units financed by the No Place Like Home program.

Since March, increased security has been put in place, residents are receiving more access to onsite services and the need for Police Department services has decreased. The city has also launched a legislative strategy to address state and federal regulations to provide greater flexibility in how tenants are prioritized for housing like that offered by Windsor Pointe.

Explanation & Analysis

Background

The Windsor Pointe project was first proposed in 2016 to provide permanent supportive housing for veterans experiencing homelessness. The City Council approved two actions, one in 2017 and one in 2020, for a \$8.3 million financing package with the project owner to acquire the land and build the Windsor Pointe Affordable Housing Project. The project met an important need for permanent supportive housing in Carlsbad for people with very low incomes.

The County of San Diego provided funding to develop and operate the housing through the state funded No Place Like Home program.² The county also contracts with the service provider that assists residents in units funded through the No Place Like Home program. Affirmed Housing operates the project and contracts with a property manager and an additional onsite service provider.

Who lives at Windsor Pointe

The project contains 50 apartments, including two manager units, located on two non-contiguous sites, 965 Oak Ave. and 3606 Harding St., in the city's Barrio area.

Windsor Pointe apartments provide affordable housing for households with lower incomes. Onsite services are provided to promote housing stability, help residents achieve education and employment goals and connect households to resources that promote overall well-being.

While these services are offered, Windsor Pointe is an apartment building where tenants sign a residential lease, not a homeless shelter or other similar facility. Its tenants have the same rights and responsibilities as any other person living in a Carlsbad apartment community.

The apartments are rented to people using the following criteria:

24 units

Priority given (in this order) to lower-income households:

1. Carlsbad veterans
2. Other veterans
3. Carlsbad residents
4. Other income qualified households

24 units (No Place Like Home funding)

- People experiencing homelessness referred through the regional Coordinated Entry System
- County confirms person being referred has a serious mental illness diagnosis
- Veterans are given priority

² Project funding was also provided through tax credits from the California Tax Credit Allocation Committee.

Eight households currently include residents with veteran status, and five households include people who are either from Carlsbad or work in Carlsbad, or both.

Community concerns

When the project opened, community members expressed concerns about safety and other negative effects on the neighborhood's quality of life. City staff worked with Affirmed Housing, its property management company, ConAm Management Corporation, and the County of San Diego to address those concerns.

City Council direction to address concerns

Ultimately, the City Council held a meeting March 12, 2024, to hear from the community and review actions taken to date. On March 12, 2024, and subsequent City Council meetings on April 9 and June 11, 2024, the City Council directed city staff to pursue a number of action items related to security, supportive services and priority referrals for the project. City staff, Affirmed Housing, ConAm, and the county's Behavioral Health Services and Housing & Community Development departments have worked collaboratively to make changes to the project's operations.

Based on the review of data since March, city staff see improvement related to security and service level concerns based on the actions that have been implemented. City staff will continue to pursue the implementation of the identified action items, track and monitor statistics and trends that affect Windsor Pointe and the surrounding neighborhood.

Progress updates

The information below summarizes the progress made in each of these areas.

Immediate and long-term security improvements

One of the main areas of community concern relates to security.

Increased onsite security

Since March, security has been improved significantly.

- The county has approved the maximum operating reserve disbursement of funding for Windsor Pointe that is allowed by regulations. This enabled the project developer to cover the cost of having an onsite security guard from 6 p.m. to 6 a.m., seven days a week at both locations.
- There is 24-hour video surveillance monitoring, seven days a week at both locations.
- The California Department of Housing and Community Development currently limits how government agencies like the county can use a permanent supportive housing project's operating reserve funds during a project's first five years.
- The city is working with its legislative team on a plan to advocate for changes to reduce/remove these restrictions.

Enforcement of resident lease terms

The property owner and property management company have taken appropriate actions to address residents who violate their lease terms.

- Affirmed Housing and its management company are exercising their rights in enforcing the terms of the lease, up to and including evictions.

Controlled access for guests

The management plan was revised to include an amended guest policy requiring visitor check-in, and a remote access control system is in place to maintain security and visibility of the front door.

- Remote access only allows entry to the lobby.
- Guests need to be escorted by a resident or staff member beyond the lobby to enter the residential part of the property.
- Stairwells and elevators require a key fob. Key fob activity is recorded and monitored by onsite property management.
- Surveillance cameras – 27 of them – provide 24-hour live monitoring throughout the property. The third-party monitoring company will document an incident and contact onsite staff and/or security or 911 depending on the level of attention needed.
- Property managers review entry logs with time- and date-stamped photos to monitor guest access
- All staff and residents have been trained how to use the system.

There are also in-home supportive services workers who come regularly to help tenants, but do not live onsite. These workers go through a criminal background check with the County of San Diego. A live-in aide would go through the same background screening process as a resident and sign a lease addendum agreeing to occupancy terms. (No tenants currently have a live-in aide.)

Ensure adequate support services are provided

Another main area of concern relates to whether adequate client-based services, such as behavioral health care, are provided to residents so that they can remain stably housed.

Increase in county services for Windsor Pointe

- The County of San Diego has authorized an increase in onsite behavioral health services, increasing services for No Place Like Home residents by 20 hours a week, from 24 to 44 hours weekly, Monday through Friday.
- The County Board of Supervisors has requested enhanced clinical support seven days a week, but county staff have not yet identified funding to cover the costs.
- The County of San Diego has referred more specialized care to residents with higher needs.

More training for onsite personnel

Onsite personnel have received mental health first-aid training to recognize and respond to signs and symptoms of a mental health crisis.

- Training includes strategies to help people in both crisis and noncrisis situations and resources for appropriate professional help.

Although service providers are actively working with residents to provide the services they need, everyone, including residents at Windsor Pointe, has the right to refuse medical and mental health treatment.

Advocate for higher veteran and Carlsbad priority

The third area of focus relates to the ability to serve more veterans and more Carlsbad residents. Veterans are given preference for all units at Windsor Pointe. Half of the units are also prioritized for those who live or work in Carlsbad.

Veterans

City staff are advocating for legislation that will help more veterans qualify for affordable housing like Windsor Pointe.

- With benefits, many veterans exceed the income limit to qualify for some affordable housing projects.
- City staff are advocating for veterans to be allowed to exceed the maximum income limits for supportive housing, or for veterans' disability benefits to not be counted toward maximum income limits.
- At the federal level, U.S. Rep. Brad Sherman (with several co-sponsors, including Rep. Mike Levin) introduced the Housing Unhoused Disabled Veterans Act, (H.R. 8340) in May 2024. The bill proposes to exclude any disability benefits received by a veteran from the definition of adjusted income for the purposes of determining eligibility for the supportive housing program under Section 8 of the United States Housing Act. (The U.S. Department of Housing and Urban Development announced a similar change on Aug. 8 for veterans applying for the HUD–Veterans Affairs supportive housing program.)
 - Staff will request the city's Legislative Subcommittee approve a letter of support for H.R. 8340, as part of this advocacy effort.
- At the state level, staff and the city's lobbyists are seeking to determine whether statutory changes could be achieved through a bill passed as part of the state budget to either waive income limits for veterans or exclude veteran benefits from income calculations for housing placements in state-funded units. State-level changes are needed for any new rules to apply at Windsor Pointe.
- The project partners are exploring alternatives to increase veteran occupancy, including opportunities for project-based housing vouchers through the Veterans Affairs supportive housing program administered by the County of San Diego. The application for these vouchers is not yet available.

Carlsbad affiliation

City staff continue to explore how to serve more local people in need.

- The California Department of Housing and Community Development has indicated that the city would be required to conduct a regional fair housing legal analysis to determine if giving a preference at Windsor Pointe to people from Carlsbad would be consistent with federal and state fair housing laws.
- City staff are exploring the feasibility of conducting the required analysis, including reaching out to staff from neighboring cities, who have indicated their preliminary interest.

The San Diego region uses the Coordinated Entry System to make referrals to supportive housing like Windsor Pointe. That system operates on a regional referral level, unless otherwise required by a funding source.

- City staff have engaged with the Regional Task Force on Homelessness and County Supervisor Terra Lawson-Remer, who serves as First Vice Chair of the Continuum of Care Board, to explore changes at the regional and state level on how referrals are made.
- The goal is to establish a subregional priority in that system, which would direct local services first to those in the immediate area.

A table, attached as Exhibit 1, provides additional information about the city and county action items, and their current status. A memo from the County of San Diego related to Board of Supervisors-approved action items is included as Exhibit 2.

Understanding calls for service

Community members have expressed concerns about the number of calls for service to Windsor Pointe apartments. “Calls for service” is a very broad term that includes many things beyond a resident or neighbor calling for police assistance.

- They include 911 calls for fires and medical emergencies.
- Cancelled calls and hang-ups also count toward the number of calls for service.
- Officers also generate a call for service whenever they conduct a follow up visit or decide to initiate patrol at a specific location.

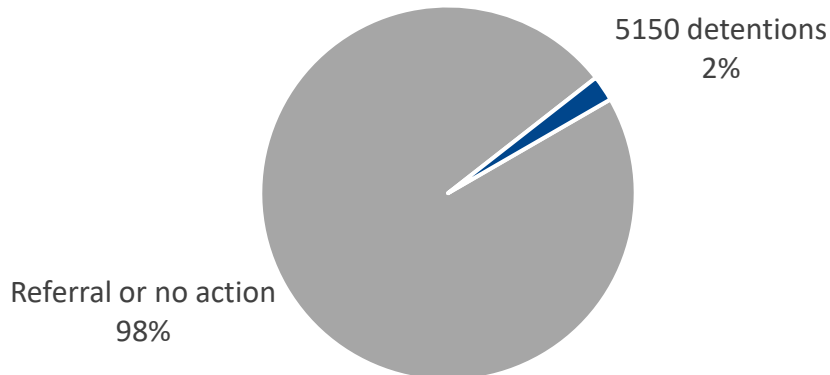
For these reasons, calls for service indicate a general level of activity, but are not necessarily an indicator of criminal activity, or of the use of Police Department resources. For example, since March 2024, the city had 222 calls for service related to Windsor Pointe apartments.

- To put the number of calls for service in perspective, the city had 46,566 calls for service citywide during the same timeframe.
- Of the Windsor Pointe calls for service, 80% were for non-criminal matters, such as someone needing mental health help, or a police officer called to assist the Fire Department with a medical emergency.
- The need for a police officer to respond to the property has decreased since onsite staff at Windsor Pointe have had additional training in how to triage mental health emergencies.

The city encourages all community members to call 911 when they need urgent assistance. At Windsor Pointe apartments, the police have specifically asked onsite staff, residents and neighbors to call when they have an immediate safety concern. Police officers also continue to patrol the area and follow up on previous calls. All of these contribute to the number of calls for service.

Welfare calls

A significant number of Police Department calls for service to the property remain related to the welfare of residents, rather than criminal activity. Of the 146 mental health related calls for service, three resulted in a detention under California Welfare and Institutions Code Section 5150³ for mental health evaluation and treatment. This indicates that most of these calls can be handled through mental health resources, and this is beginning to happen more regularly.



Increased referrals to appropriate resources

While calls for service have not significantly decreased since March, the number of calls requiring an officer to respond has gone down. Many calls can now be resolved by phone through a referral to mental health services or to the onsite staff at Windsor Pointe. The Police Department expects this trend to continue.

- The city has a memorandum of understanding with the County of San Diego's Mobile Crisis Response Team.
- This team offers support to people experiencing a behavioral health crisis as an alternative to a law enforcement response and the Police Department uses the team as appropriate under the terms of the memorandum.
- Onsite staff and Police Department dispatchers have been utilizing the assistance of the Mobile Crisis Response Team more to apply the more appropriate response tool related to the call for service.
- When appropriate, police dispatchers may divert calls to a crisis response team, precluding the need for a uniformed officer response.

City staff will continue to request more onsite and remote behavioral health services from the County of San Diego to address the specific needs of Windsor Pointe's residents.

³ Under California Welfare and Institutions Code Section 5150, a person may be involuntarily detained for psychiatric evaluation and treatment only if there is probable cause to believe that, as a result of a mental health disorder, the person is a danger to themselves or to others or is gravely disabled.

Cases vs. calls for service

Tracking cases related to Windsor Point apartments is a better public safety indicator than counting calls for service. When an incident requires police action, such as an investigation or arrest, a single case number is assigned. Of the eight cases between March 1 and July 31, 2024, five were called in by Windsor Pointe staff, and three cases stem from the same incident (indicated in shaded lines below). The police made two arrests.

Criminal Cases (March – July 2024)	Cases
Drugs found, reported and collected for destruction	1
Reported domestic violence	1
Domestic violence arrest	1
Drugs found, reported and collected for destruction	1
Reported domestic violence	1
Under influence of controlled substance arrest * (involving a banned guest outside the property)	1
Suitcase found, taken for storage	1
Thermostat box broken by resident (vandalism)	1

Same incident

Police resources data

The Police Department uses a priority system for dispatching calls. Under this system, calls for mental health assistance or other non-criminal concerns do not divert resources from higher priority calls.

The Police Department was asked to research calls for service data to estimate police officer time and resources used to address calls regarding Windsor Pointe since its opening. This includes time an officer physically went to either location to respond to a call.

Between April 2022 and July 2024, the city had 984 calls for service, and police spent a total of 976 hours responding to and following up on incidents related to Windsor Point. This does not include the time spent by police dispatch staff receiving incoming calls and providing communications support during calls for service. To put this number in perspective, during this same time period, the city had a total of 257,532 calls for service.

The officer assigned to respond to a call is determined by a number of factors such as proximity, availability and severity of the reported incident. Typically, the responding police employee would be either an officer or a corporal. However, when appropriate, police supervisors and managers may also respond.

To account for some differences in the seniority of the employee responding, the Police Department estimated the cost of police resources using the highest officer pay range. The estimated cost of officer time spent responding over the last 28 months is \$57,820.

- This is not an additional cost to the City of Carlsbad because these Police Department resources are already in place.
- An officer responding to a call for service from Windsor Point apartments would otherwise be responding to other calls for service or patrolling the area in general.

Previous incidents and community concerns

During its first year and a half of operations, several incidents at Windsor Point caused significant concern and were widely shared in the community, at times leading to inaccurate or incomplete information being spread. Following is an update on some of the incidents causing community concern and their resolution.

July 2022

Incident: A friend of a person who lives at Windsor Pointe used the Windsor Pointe address when registering as a sex offender.

Resolution: The registered sex offender, who was not a resident of Windsor Pointe, was contacted and told to correct the address to show their actual place of residence. The individual was never a resident at the location.

January 2023

Incident: Attempted murder, domestic violence

Resolution: Police responded to a reported domestic violence incident at Windsor Pointe. The suspect, who was not a resident of Windsor Pointe, was arrested and the victims were provided appropriate medical care.

July 2023

Incident: A resident of Windsor Pointe invited an acquaintance for a visit. The guest was accused of molesting the resident's child during this visit.

Resolution: Police investigated and were able to locate and arrest the subject. The residents/family were cooperative with the investigation, and the suspect was sentenced to a term in state prison.

Fall 2023

Incident: Water leaked into one of the occupied apartments from a defect in the building's construction. The property manager attempted to arrange repair and restoration of the apartment. The tenant did not grant access to the apartment for several months delaying the repair.

Resolution: The resident ultimately allowed the property manager to fix the damage and restore the apartment.

June 2024

Incident: A neighbor observed a person entering their yard, acting strangely and urinating. The neighbor called the police.

Resolution: Police investigated and identified the subject, who had no affiliation with Windsor Pointe. The suspect was ultimately arrested.

Fiscal Analysis

There is no fiscal impact from receiving this report, and no funding is being requested.

Next Steps

City staff have addressed the immediate actions directed by the City Council and will continue to work on longer-term and ongoing efforts. This includes monthly meetings with the property owner and manager to address any additional concerns.

Staff will also monitor data to track trends and case numbers related to community concerns and recommend returning to the City Council in six to eight months with an update on the action items detailed above and updated data.

Environmental Evaluation









This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Exhibits





1. Summary table of the city and county action items
2. County of San Diego memo related to Board of Supervisors-approved action items
3. Community correspondence received through Aug. 14, 2024




**Windsor Point Apartments
Actions to Address Community Concerns**

City Actions

Security	
Requested Action	Status
Bring back an amended management plan to the City Council on April 9, 2024, that reflects an amended guest policy to require visitor check in and the presence of an onsite security guard for each site when appropriate staff are not available.	Plan approved by the City Council on April 9. 
	New guest policy in place 
	Implemented secured entry for visitors 
	Onsite security guard at both sites (6 p.m. to 6 a.m. when appropriate staff are not available) 
	Implemented 24/7 monitored video security system 
Collaborate with the property manager to strengthen the protocol to divert low-level issues to onsite personnel.	City staff, Affirmed Housing and ConAm are working on a protocol for onsite personnel to handle low level non-public safety issues. 
	County Housing and Community Development staff have confirmed authorization of the eligible use of the project’s operating reserves for onsite security. 
Working with the City Council’s Legislative Subcommittee, develop and implement a strategy to effectively advocate for the County of San Diego to release operating subsidy reserve funding for this project to cover the cost of additional onsite security at both locations.	There is still a question of the maximum allowed within a five-year period. The City of Carlsbad will advocate to the California Department of Housing and Community Development that the first five years of permanent supportive housing tend to have higher needs before reaching stabilization and those projects should be allowed to draw a higher percentage of operating reserves. 

Services

Working with the city’s Director of Intergovernmental Affairs and the city’s contracted lobbyists, develop and implement a legislative advocacy strategy within 60 days to effectively lobby for supportive housing to be fully funded at the state and federal levels to provide adequate levels of service.	This action will be pursued in conjunction with the city’s Director of Intergovernmental Affairs and the City Council Legislative Subcommittee. The matter was discussed at the City Council Legislative Subcommittee meetings on April 9 and July 9, 2024. 
	City staff, Affirmed Housing, ConAm and County Behavioral Health Services staff are currently in active conversations to identify ways to better leverage existing supportive services for residents, including at move in, and develop additional levels of support to respond to resident needs. 
Develop and implement a plan within 45 days to urge the County of San Diego to allow new Windsor Pointe residents housed under the No Place Like Home funding to start with a higher level of service with the option to move to a lower level if appropriate, rather than starting with minimal services and adding as needed.	County staff increased onsite behavioral health support at Windsor Pointe by an additional 20 hours per week. 
	County staff are exploring potential funding opportunities to enhance clinical support seven days per week; however, funding has not been identified for this level of service at this time. County staff will continue to explore funding options 

 Completed  In progress  No resolution at this time

Applicant priority

Examine participating in a regional fair housing legal analysis to determine if implementation of a local, or subregional (i.e., North County), priority would be consistent with federal and state fair housing laws and other applicable laws.

This action will be pursued by the city’s Housing & Homeless Services Department. City staff from neighboring cities have expressed support for such an analysis.



Working with the city’s Director of Intergovernmental Affairs and Legislative Subcommittee, advocate to the Regional Task Force on Homelessness and the region’s Continuum of Care Board of Directors to make policy changes that could provide a subregional priority in the Coordinated Entry System referral process in certain situations, such as when cities provide a significant financial investment for a housing development.

This action will be pursued in conjunction with the city’s Director of Intergovernmental Affairs and City Council Legislative Subcommittee.



City staff are also advocating for a subregional priority in the Coordinated Entry System referral process.



Staff have engaged with the Regional Task Force and County Supervisor Lawson-Remer, who serves as First Vice Chair of the Continuum of Care Board, to explore viable approaches to pursue both regionally and with the state. The matter was discussed at the City Council Legislative Subcommittee meetings on April 9 and July 9, 2024.



Working with the city’s Director of Intergovernmental Affairs and Legislative Subcommittee, develop and implement a strategy for the state and federal governments to allow veteran benefits to exceed maximum income limits for permanent supportive housing units to remove barriers to ending veteran homelessness.

This action will be pursued in conjunction with the city’s Director of Intergovernmental Affairs and City Council Legislative Subcommittee. At the state level, staff and the city’s contract lobbyists are seeking to determine whether statutory changes could be achieved through a state budget trailer bill to either waive income limits for veterans or exclude veteran benefits from income calculations for housing placements in state-funded units. The matter was discussed at the City Council Legislative Subcommittee meetings on April 9 and July 9, 2024.



Completed











In progress



No resolution at this time

County Reported Actions

Security		
Requested Action	Status	
Coordinate with the Windsor Pointe development team to develop a plan for using No Place Like Home capitalized operating subsidy reserve funds to add supplemental security personnel at Windsor Pointe.	County Housing and Community Development staff have confirmed authorization of the developer’s use of a project’s capitalized operating subsidy reserves for eligible onsite security.	
Advocate to the California Department of Housing and Community Development to maximize the funding flexibility of capitalized operating subsidy reserve funds for the Windsor Pointe project	County Housing and Community Development staff have confirmed authorization of the developer’s use of capitalized operating subsidy reserves for eligible onsite security.	
Develop a strategy to ensure visitor check-in complies with requirements.	County staff does not have the authority to require a visitor check-in process, however, will continue to work with developer to ensure compliance with the No Place Like Home program guidelines.	
Security		
Analyze all options and opportunities to maximize the level of services and hours of onsite case management services and referrals to behavioral health services for Windsor Pointe.	County staff increased onsite behavioral health support by an additional 20 hours per week.	
	County staff are exploring potential funding opportunities to enhance clinical support seven days per week; however, funding has not been identified for this level of service at this time. County staff will continue to explore funding options.	
Pilot program to enhance clinical support and maximize case management services and referrals to Behavioral Health Services	County staff increased onsite behavioral health support at Windsor Pointe by an additional 20 hours per week.	
	County staff are exploring potential funding opportunities to enhance clinical support seven days per week; however, funding has not been identified for this level of service at this time. County staff will continue to explore funding options.	
Ensure onsite personnel receive mental health first aid training and are trained on how to refer people to 24/7 behavioral health crisis response resources.	Onsite personnel were offered mental health first aid training to recognize and respond to signs and symptoms of mental health crisis. Training includes strategies to help someone in both crisis and noncrisis situations, and response resources for appropriate professional help. The county will continue to leverage training resources to support onsite staff.	
Assessment of staffing needs to ensure at least 1 mental health first aid trained staff onsite 24/7, identify gaps and recommendations how to fill them.		



Completed



In progress



No resolution at this time



County of San Diego

CAROLINE SMITH
INTERIM DEPUTY CHIEF ADMINISTRATIVE OFFICER

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PATTY KAY DANON
CHIEF OPERATIONS OFFICER

July 18, 2024

TO: Supervisor Nora Vargas, Chairwoman
Supervisor Terra Lawson-Remer, Vice Chair
Supervisor Joel Anderson
Supervisor Monica Montgomery Steppe
Supervisor Jim Desmond

FROM: Caroline Smith, Interim Deputy Chief Administrative Officer
Health and Human Services Agency

UPDATE ON ENHANCING SAFETY AND SERVICES AT NO PLACE LIKE HOME AFFORDABLE HOUSING DEVELOPMENTS

The No Place Like Home (NPLH) State program was created to develop permanent supportive housing for individuals in need of mental health services and who are experiencing homelessness, chronic homelessness, or are at-risk of chronic homelessness. Individuals who are experiencing homelessness and have a serious mental illness (SMI) diagnosis are linked to NPLH units via the Coordinated Entry System (CES). CES is an evidence-based strategy that focuses on housing and service coordination designed to link individuals or families experiencing homelessness to the most appropriate housing solution based on their needs. The administrator for CES is the Regional Task Force on Homelessness in San Diego County.

As an Alternative Process County grantee, the County of San Diego (County) provides funding (via deferred loans) for the construction, acquisition, and/or rehabilitation of permanent supportive housing that serves NPLH eligible tenants. Additionally, through County Behavioral Health Services (BHS), the County must commit to provide access to necessary behavioral health supportive services for no less than 20 years. The County may also provide a Capitalized Operating Subsidy Reserve (COSR) for developments that are not able to secure Project Based Vouchers. The COSR may be used to subsidize eligible operating expenses for NPLH assisted units at a development.

Since 2020, the County has provided NPLH funds to 21 developments across the County, and six have completed construction and now provide affordable housing and services to County residents.

On April 9, 2024 (5), the San Diego County Board of Supervisors (Board) approved the following actions to enhance support for people with serious mental illness who are living in permanent supportive housing units funded by the NPLH program:

- Implement a pilot program to increase services for residents with serious mental illness living in the four affordable housing developments with NPLH units in North County to include enhanced clinical support seven days per week.
- Ensure all personnel on-site receive Mental Health First Aid training and be trained on how to refer people to 24/7 behavioral health crisis response resources.

- Develop a two-part plan to 1) ensure visitors are checked in and out which allows on-site staff to have awareness of who is on the property, and 2) assess current staffing needs to ensure at least one staff member who has the Mental Health First Aid training is on-site at all times.
- Report back to the Board within 90 days with an update on the plans for the four developments in North County that have NPLH units.

Also, on April 9, 2024 (26), the Board approved the following actions to support safety and security at Windsor Pointe and future projects supported by NPLH funding:

- Analyze all options and opportunities to maximize the level of services and hours of on-site case management services and referrals to behavioral health services, for Windsor Pointe, and future permanent supportive housing projects funded by NPLH dollars, especially during the initial lease-up phase.
- Coordinate with the Windsor Pointe development team to develop a plan for utilizing NPLH operating reserve funds to add supplemental security personnel. Advocate to the California Department of Housing and Community Development, requesting the State to maximize funding flexibility of Capital Operating Reserve funds for the Windsor Pointe project.

This memorandum provides an update in response to these Board actions.

Pilot Program to Enhance Clinical Support and Maximize Case Management Services and Referrals to Behavioral Health Services

The Board directed initial efforts to be piloted at the following affordable housing developments in North County: Windsor Pointe (Carlsbad), Valley Senior Village (Escondido), Greenbrier Village (Oceanside), and Santa Fe Senior Village (Vista). Windsor Pointe and Valley Senior Village are both fully occupied, Greenbrier Village is in the process of leasing up new residents, and Santa Fe Senior Village is currently under construction. Staff explored potential funding opportunities to enhance clinical support seven days per week and maximize the level of services and hours of on-site case management services and referrals to residents; however, funding has not been identified to support enhanced services at this time. Staff will continue exploring funding options, which may be available through opportunities such as behavioral health payment reform.

While funding has not been identified, existing services were leveraged to provide tenants access to an array of existing behavioral health services and other supports at the four identified developments in North County. This includes Tenant Peer Support Services (TPSS), funded by County BHS, which offers a comprehensive and flexible approach to supporting tenants across multiple housing sites. TPSS actively engages tenants on an ongoing basis and helps connect them to referrals for outpatient clinic services, Strengths-Based Case Management (SBCM), Assertive Community Treatment (ACT), and additional community-based services as needed. SBCM and ACT are field-based approaches using innovative interventions to help individuals reach recovery goals by meeting clients where they live. For immediate support for a behavioral health crisis, Psychiatric Emergency Response Team and Mobile Crisis Response Team programs are available 24/7. Additionally, TPSS enhances resident well-being through comprehensive support services as needed. At Windsor Pointe, for instance, TPSS provides 44 hours of weekly staff assistance, including 16 hours of dedicated tenant support, 20 hours of clinical support to address specific tenant needs, and eight hours of clinical supervision.

At Valley Senior Village, TPSS maintains scheduled office hours of eight hours per month. However, recognizing that tenant needs don't adhere to a set schedule, TPSS extends its support beyond these times, providing same-day services and individualized engagement as needed.

As Greenbrier Village prepares for new residents, TPSS plays a crucial role in the lease-up process. TPSS assists prospective tenants with the complexities of the move-in process, which includes navigating lease signings and gathering necessary documentation for income verification. This may involve helping tenants collect and organize various financial documents such as bank statements, benefit award letters, and pay stubs. Upon move-in, TPSS implements Critical Time Intervention, a time-limited, phased approach that tailors support to each tenant's unique needs and circumstances.

Looking ahead to Santa Fe Senior Village's upcoming lease-up process, TPSS is taking proactive steps to ensure a smooth transition for future residents. TPSS is currently educating property management staff on effective move-in procedures and sharing valuable insights gained from experiences at other developments. As Santa Fe Senior Village begins welcoming tenants later in the fall, TPSS will be ready to provide the same comprehensive move-in assistance and documentation support offered at Greenbrier Village during the lease-up process.

Throughout all these efforts, TPSS maintains a tenant-centered philosophy, adapting their support to meet individuals where they are and providing the specific assistance needed to achieve and maintain stable housing. This approach allows TPSS to effectively serve tenants through a combination of existing behavioral health services and other supports to meet various housing needs.

Maximize Funding Flexibility of Capital Operating Reserve Funds for Windsor Pointe

For the Windsor Pointe housing development, County Housing and Community Development Services (HCDS) has worked with California Department of Housing and Community Development (HCD) and Affirmed Housing Group, the development's owner-operator, to ensure that COSR funds (referred to as Capital Operating Reserve funds in the April 9, 2024 (26) Board item) are being administered with maximum funding flexibility for eligible expenses at Windsor Pointe. Security services are an eligible COSR expense and Affirmed Housing Group has stated they intend to use the funds in part for this purpose. The COSR is available for eligible expenses attributed to the residents of NPLH assisted units for a minimum 20-year period that began in 2022.

Mental Health First Aid Training

BHS has an existing contractor that provides Mental Health First Aid (MHFA) trainings, and in response to Board direction, this contractor began MHFA trainings at the identified NPLH developments in May 2024. It is anticipated training will be offered to approximately 200 people at the four locations to residents, all personnel on-site, including property management, case management, security, and maintenance staff. BHS does not have the authority to direct training requirements for property management, security, and maintenance staff, but BHS will continue to leverage training resources to support on-site staff. MHFA learning topics include skills needed to recognize and respond to signs and symptoms of mental health and substance use challenges, as well as how to provide someone with initial support until they are connected through referrals to appropriate services, including 24/7 behavioral health crisis response resources.

Visitor Check-in Policy

Visitor/guest policies will vary by development and must adhere to the NPLH Program Guidelines, which do not allow for restrictions on guests that are not otherwise required by other project funding sources or would not be common in other unsubsidized rental housing in the community. HCDS does not have the authority to dictate check in policies; however, will work with the developer to ensure compliance with NPLH guidelines. HCDS has communicated this requirement with the developer of the existing Windsor Pointe development, and will ensure the same communication occurs with developers of the upcoming developments in North County.

Per Board direction, HCDS and BHS will report back in October 2024 with an update on the progress, outcomes, and a plan to implement these changes countywide.

For questions, please contact Kelly Salmons at HCDS via phone at (858) 694-4806 or email Kelly.Salmons@sdcounty.ca.gov; or Nadia Privara at BHS via phone at (619) 563-2700 or email Nadia.Privara@sdcounty.ca.gov.

Respectfully,



CAROLINE SMITH, Interim Deputy Chief Administrative Officer
Health and Human Services Agency

c: Ebony N. Shelton, Chief Administrative Officer

From: [Council Internet Email](#)
To: [Mandy Mills](#)
Cc: [City Clerk](#)
Subject: FW: Upcoming August 20 City Council Meeting: Windsor Point Staff Report
Date: Wednesday, August 14, 2024 11:46:21 AM

From: Denis Jensen <denis.jensen@gmail.com>
Sent: Wednesday, August 14, 2024 11:32 AM
To: Keith Blackburn <keith.blackburn@carlsbadca.gov>; Council Internet Email <council@carlsbadca.gov>; Melanie Burkholder <melanie.burkholder@carlsbadca.gov>; Priya Bhat-Patel <priya.bhat-patel@carlsbadca.gov>; Carolyn Luna <carolyn.luna@carlsbadca.gov>; Teresa Acosta <teresa.acosta@carlsbadca.gov>; Scott Chadwick <Scott.Chadwick@carlsbadca.gov>
Cc: Lara Benusis <ibenusis@yahoo.com>; Mark Packard <marbon812@gmail.com>; Tracy Carmichael <whatzuptlc@yahoo.com>; Teri Jacobs <tjacobs86@pacbell.net>; Matt Hall <mhall4046@gmail.com>; Raul Villamar <estodoaboutme@aol.com>; Jeffrey Yuen <Jeffrey.Yuen@sdcounty.ca.gov>; Alanna Trimble <alannalt@yahoo.com>; Dee Dee Rowlett <deedee.rowlett@gmail.com>; Christie Calderwood <Christie.Calderwood@carlsbadca.gov>; Greg@gregday4carlsbad.com; Momofphd Momofphd <momofphd@gmail.com>; kevinshin27@gmail.com; Corey Uhden <corey@kevinfaulconer.com>; Sarah Alegre <SAlegre@fox5sandiego.com>; Mike Curtin <mike@curtinforcarlsbad.com>; Dorian Hargrove <DHargrove1@cbs8.com>; Steve Puterski <steve.puterski@gmail.com>; Justin Cox <Justin.Cox@10news.com>; philip.diehl@sduniontribune.com
Subject: Upcoming August 20 City Council Meeting: Windsor Point Staff Report

In anticipation of continued Carlsbad City Council inaction for the remedy of the Windsor Point homeless facility it placed in a family neighborhood near Jefferson Elementary School, here's what the community does not want to see in the August 20 City Council Meeting's Windsor Pointe Staff Report on the matter:

- Ignoring that this housing project literally and gladly accepts criminals like murderers and drug dealers as long as their convictions are older than five years.
- Ignoring that it purposely places seriously mentally ill homeless on blocks with dozens of children less than ten year old, having resulted in a tenant yelling "I'm going to kill you" at neighbor kids.
- Yet additional pledges of social worker support rhetoric that tenants have no obligation to entertain
- Boasting of very short-term public funding of part-time security when the developer's land lease requires that the developer have resources of its own to run a quality operation.
- Boasting of security when it is less than half of what Police Chief Mickey Williams

assessed and has NONE of the visitor screening he deemed necessary for the safety of tenants and neighbors.

- Claims of recent, lower first responder needs. Tenants have reported that they have been pressured by management to not call the police when needed so we know that claims saying so are manipulated.
- Boasting of anemic tenant success stories that are so dismal and such a poor return on this \$28.2 Million expenditure that they would be deemed a complete failure in any private sector.
- Compensated homeless advocate lobbyists. We're already strong advocates of good homeless solutions ourselves, but not ones that purposefully put criminals and sex offenders next door to kids. And if you do go through this exercise, let's not have City Staff meet with lobbyists at Pizza Port in advance of the meeting, it's not a good look to be rigging public comments.
- Not finding that the developer has broken the lease when a litany of easily-found discrepancies exist, starting with its own admission that it lacks the resources to service mentally ill tenants.
- Blaming County and State bureaucracy for inaction when the County has communicated that closing the facility does not require outside coordination.

At the Jan 28, 2020 City Council vote, City Staff not only side-stepped the California Constitution that requires low income housing be put to a public vote (this facility is 100% low income, not 48% as purported), it assured former Mayor Hall (cc'd here) that if facility problems arose, the City would be able to take remedy. However, tenant and visitor crime has been so high that after a year and a half of daily first responder needs, the Carlsbad Chief of Police complained to the developer about the high volume of crime, including and not limited to multiple attempted murders, drug dealing, battery, theft, child abuse and child sexual abuse. But City Staff are now saying the County and State are the only ones that can take meaningful action. City Staff got us into this mess and City Staff need to find a way out of it. We're asking that the Council stop championing excuses and delays and we demand that this happen. The community is asking for Windsor Pointe to be moved or closed, we're not asking for more social worker band-aids.

I'm bcc'ing a hundred voters here that all took time to communicate their displeasure with the terrible placement of this housing project. Standing with and joining forces with thousands of upset voters frustrated with the Smart and Final Shopping Center and Carlsbad Village Square project corner redevelopment, you should know utterly frustrated voters are with current leadership and we're tired of feeling that constituent demands are ignored for the advancement of personal agendas and political aspirations.

Sincerely,
Denis Jensen

CAUTION: *Do not open attachments or click on links unless you recognize the sender and know the content is safe.*

From: [Council Internet Email](#)
To: [Mandy Mills](#)
Cc: [City Clerk](#)
Subject: FW: Upcoming August 20 City Council Meeting: Windsor Point Staff Report
Date: Wednesday, August 14, 2024 12:47:21 PM

From: Tracy Carmichael <whatzuptlc@yahoo.com>
Sent: Wednesday, August 14, 2024 12:04 PM
To: Denis Jensen <denis.jensen@gmail.com>
Cc: Keith Blackburn <keith.blackburn@carlsbadca.gov>; Council Internet Email <council@carlsbadca.gov>; Melanie Burkholder <melanie.burkholder@carlsbadca.gov>; Priya Bhat-Patel <Priya.Bhat-Patel@carlsbadca.gov>; Carolyn Luna <carolyn.luna@carlsbadca.gov>; Teresa Acosta <teresa.acosta@carlsbadca.gov>; Scott Chadwick <Scott.Chadwick@carlsbadca.gov>; Lara Benusis <ibenusis@yahoo.com>; Mark Packard <marbon812@gmail.com>; Teri Jacobs <tjacobs86@pacbell.net>; Matt Hall <mhall4046@gmail.com>; Raul Villamar <estodoaboutme@aol.com>; Jeffrey Yuen <Jeffrey.Yuen@sdcounty.ca.gov>; Alanna Trimble <alannalt@yahoo.com>; Dee Dee Rowlett <deedee.rowlett@gmail.com>; Christie Calderwood <Christie.Calderwood@carlsbadca.gov>; Greg@gregday4carlsbad.com; Momophd Momofphd <momofphd@gmail.com>; kevinshin27@gmail.com; Corey Uhden <corey@kevinfaulconer.com>; Sarah Alegre <SAlegre@fox5sandiego.com>; Mike Curtin <mike@curtinforcarlsbad.com>; Dorian Hargrove <DHargrove1@cbs8.com>; Steve Puterski <steve.puterski@gmail.com>; Justin Cox <Justin.Cox@10news.com>; philip.diehl@sduniontribune.com
Subject: Re: Upcoming August 20 City Council Meeting: Windsor Point Staff Report





Sent from my iPhone

I just read this email it is 11:57 am. The photos above show first responders were called to the Harding facility at 11:43 am.

How long will this continue? The residents clearly need to be closer to service providers that do not require the aid of City resources.

A written response is requested ASAP

Tracy Carmichael

On Aug 14, 2024, at 11:32 AM, Denis Jensen <denis.jensen@gmail.com> wrote:

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