



AGENDA

October 26, 2023

CITY OF CITRUS HEIGHTS CITY COUNCIL

5:30 PM SPECIAL MEETING

6:00 PM REGULAR MEETING

City Hall Council Chambers

6360 Fountain Square Drive, Citrus Heights, CA

Teleconference Location - 6529 Ranch Hand Way, Citrus Heights, CA 95621

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953, Teleconferencing. Any member of the public may attend this meeting either at the Council Chambers or at the teleconference location.

HOW TO PARTICIPATE:

The City of Citrus Heights welcomes your interest and involvement in the City's legislative process. The Council may take up any agenda item at any time, regardless of the order listed. If you wish to address the Council during the meeting, please fill out a Speaker Identification Sheet and give it to the City Clerk. When you are called upon to speak, step forward to the podium and state your name for the record. Normally speakers are limited to five minutes each with 30 minutes being allowed for all comments. Any public comments beyond the initial 30 minutes may be heard at the conclusion of the agenda. The Mayor has the discretion to lengthen or shorten the allotted times. Alternatively, you may submit your comment by 4:00 p.m. on the meeting day to by completion of an online Speaker Card at <https://www.citrusheights.net/FormCenter/City-Council-Meetings-Speaker-Card-30>. Written public comments shall be limited to 250 words or less. Each comment will be read aloud by the City Clerk.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection during normal business hours at City Hall, located at 6360 Fountain Square Drive. Audio / Visual presentation material must be provided to the City Clerk's Office at least 48 hours prior to the meeting. Email subscriptions of the agenda are available online by signing up with the City's [Notify Me](#) service.

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October 26, 2023 City Council Agenda Packet

Documents:

[10-26-23 SPECIAL REGULAR COUNCIL AGENDA PACKET.PDF](#)

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer

PUBLIC COMMENT

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)

One Case (response to American Civil Liberties Union letter on ordinance)

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: APN 243- 0031- 006- 000 (6448 Sylvan Road); APN 243- 0031- 872- 2657 (7500 Coronado Lane); APN 243- 0031- 007- 0000; and APN 243- 0031- 023- 000

Agency Negotiator: Ashley Feeney, City Manager and Ryan Jones, City Attorney

Negotiating Parties: Robert Coronado and Bayside Covenant Church Citrus Heights

Under Negotiation: Price, terms of payment, or both

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

CALL REGULAR MEETING TO ORDER

1. Flag Salute
2. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
3. Video Statement

APPROVAL OF AGENDA

PUBLIC COMMENT

PRESENTATIONS

4. Proclamation Of The City Of Citrus Heights Proclaiming October 2023 As "Breast Cancer Awareness Month"

5. Proclamation Of The City Of Citrus Heights Proclaiming October 2023 As "Hindu American Appreciation And Awareness"

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

CONSENT CALENDAR

It is recommended that all consent items be acted on simultaneously unless separate discussion and/or action are requested by a Council Member.

6. SUBJECT: Approval Of Minutes

RECOMMENDATION: Approve the Minutes of the Meeting of October 12, 2023

7. SUBJECT: Office Of Traffic Safety (OTS) DUI / STEP Grant

STAFF REPORT: K. Frey / M. Wells

RECOMMENDATION: Adopt Resolution No. 2023- ____ A Resolution of the City Council of the City of Citrus Heights, California, Approving an Agreement and Accepting Project Funding for Grant PT24044 with the California Office of Traffic Safety (OTS) and Authorizing the City Manager (or Designee) to Execute the Agreement

PUBLIC HEARINGS

8. SUBJECT: Review Final 2024 Action Plan And Funding Recommendations For The Community Development Block Grant Program

STAFF REPORT: C. Kempenaar / N. Piva

RECOMMENDATION: Staff recommends the following:

a. Hear public testimony on the Draft 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program; and

b. Adopt Resolution 2023- ____ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2024 Action Plan and Authorizing the City Manager or Designee to Execute and File All Documents Required to Receive U.S. Department of Housing and Urban Development Community Development Block Grant Funding

REGULAR CALENDAR

9. SUBJECT: Council Consideration On Resolution To Support The Taxpayer Protection And Government Accountability Act Of 2024

STAFF REPORT: A. Feeney / R. Jones

RECOMMENDATION: Council may consider adopting Resolution No. 2023- ____
A Resolution of the City Council of the City of Citrus Heights, California,
Supporting the Taxpayer Protection and Government Accountability Act

10. SUBJECT: Annexation Fiscal Impact Study Council Direction

STAFF REPORT: C. Kempenaar / R. Cave / A. Turcotte / S. Talwar

RECOMMENDATION: Review the staff report, receive a presentation and
provide direction to staff

11. SUBJECT: Ordinance Of The City Council Of The City Of Citrus Heights Repealing Citrus Heights Municipal Code Chapter 78, Article III. – Prohibition Against Intrusive And Unsafe Panhandling, Sections 78-50 To 78-54.

STAFF REPORT: R. Jones / A. Turcotte

RECOMMENDATION: Introduce for first reading and read by title only and
waive the full reading of Ordinance No. 2023- ____, An Ordinance of the City
Council of the City of Citrus Heights, California, Repealing Citrus Heights
Municipal Code Chapter 78, Article III. - Prohibition Against Intrusive and
Unsafe Panhandling, Sections 78- 50 to 78- 54

12. SUBJECT: School Resource Officer Options

STAFF REPORT: A. Turcotte / C. Kinnan

RECOMMENDATION: Staff has prepared the following three alternate
resolutions for Council consideration:

a. Adopt Resolution No. 2023- ____ A Resolution of the City Council of the City
of Citrus Heights, California, Authorizing the Use of General Fund to Fund Two
Additional Police Officer Positions to be Assigned to the High Schools in Citrus
Heights; or

b. Resolution No. 2023- ____ A Resolution of the City Council of the City of
Citrus Heights, California, Authorizing the Use of ARPA Funding to Fund Two
Additional Police Officer Positions to be Assigned to the High Schools in Citrus
Heights; or

c. Resolution No. 2023- ____ A Resolution of the City Council of the City of
Citrus Heights, California, Directing the City Manager to Formally Request
Funding Participation from the San Juan Unified School District to Fund Two
Police Officer Positions to be Assigned to the High Schools in Citrus Heights

DEPARTMENT REPORTS

CITY MANAGER ITEMS

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

ADJOURNMENT

**CITY OF CITRUS HEIGHTS
CITY COUNCIL**

Special/Regular Meeting of Thursday, October 26, 2023
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA
Teleconference Location – 6529 Ranch Hand Way, Citrus Heights, CA 95621
Special Meeting 5:30 p.m.
Regular Meeting 6:00 p.m.

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October 20, 2023


Amy Van, City Clerk

SPECIAL CITY COUNCIL MEETING
5:30 PM

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer

PUBLIC COMMENT

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)
One Case (response to American Civil Liberties Union letter on ordinance)
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Agency Negotiator: Ashley Feeney, City Manager and Ryan Jones, City Attorney
Negotiating Parties: Robert Coronado and Bayside Covenant Church Citrus Heights
Under Negotiation: Price, terms of payment, or both

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

REGULAR CITY COUNCIL MEETING
6:00 PM

CALL REGULAR MEETING TO ORDER

1. Flag Salute
2. Roll Call: Council Members: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
3. Video Statement

APPROVAL OF AGENDA

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PUBLIC HEARING

8. **SUBJECT:** Review Final 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program
STAFF REPORT: C. Kempenaar / N. Piva
RECOMMENDATION: Staff recommends the following:
 - a. Hear public testimony on the Draft 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program; and
 - b. Adopt Resolution 2023-____ A Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2024 Action Plan and Authorizing the City Manager or Designee to Execute and File All Documents Required to Receive U.S. Department of Housing and Urban Development Community Development Block Grant Funding

REGULAR CALENDAR

9. **SUBJECT:** Council Consideration on Resolution to Support The Taxpayer Protection and Government Accountability Act of 2024
STAFF REPORT: A. Feeney / R. Jones
RECOMMENDATION: Council may consider adopting Resolution No. 2023-____ A Resolution of the City Council of the City of Citrus Heights, California, Supporting the Taxpayer Protection and Government Accountability Act
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STAFF REPORT: C. Kempenaar / R. Cave / A. Turcotte / S. Talwar
RECOMMENDATION: Review the staff report, receive a presentation and provide direction to staff

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RECOMMENDATION: Staff has prepared the following three alternate resolutions for Council consideration:
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 - b. Resolution No. 2023-____ A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Use of ARPA Funding to Fund Two Additional Police Officer Positions to be Assigned to the High Schools in Citrus Heights; or
 - c. Resolution No. 2023-____ A Resolution of the City Council of the City of Citrus Heights, California, Directing the City Manager to Formally Request Funding Participation from the San Juan Unified School District to Fund Two Police Officer Positions to be Assigned to the High Schools in Citrus Heights

DEPARTMENT REPORTS

CITY MANAGER ITEMS

ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

ADJOURNMENT

**CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Regular Meeting of Thursday, October 12, 2023
City Hall Council Chambers
6360 Fountain Square Drive, Citrus Heights, CA**

ITEM 6

CALL REGULAR MEETING TO ORDER

The regular meeting was called to order at 6:00 p.m. by Mayor Schaefer.

1. The Flag Salute was led by Mayor Schaefer.
2. Roll Call: Council Members present: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
Council Members absent: None
Staff present: Bermudez, Feeney, Jones, Kempenaar, Piva, Van and department directors.
3. The video statement was read by City Clerk Van.

APPROVAL OF AGENDA

ACTION: On a motion by Vice Mayor Daniels, seconded by Council Member Middleton, the City Council approved the agenda.

AYES:	Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
NOES:	None
ABSENT:	None

PUBLIC COMMENT

Bill Shirley spoke on behalf of Neighborhood Areas 7, 8 and 9 and announced they will have quest speaker Erin Johansen with Hope Cooperative at their October 17th neighborhood meeting.

City Clerk Van read the following written comment submitted by Kevin DuVal, "I would like the council to review and reconsider the billing options available for dog licensing by providing a lifetime license option for dogs that are altered and microchipped dogs. Currently, responsible dog owners have no option available to purchase a lifetime license for their dogs that are microchipped and altered. This option is limited exclusively to microchipped and altered cats. I have tried to look objectively at the differences in licensing fees but strongly believe there is a lack of reason or justification to provide one option for one domesticated animal and not the other. I would love to hear the council's thoughts on this but also feel that such an inequity warrants a reconsideration and change to the current options for licensing."

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Proclaiming October 2023 as "National Manufacturing Month"

Mayor Schaefer read and presented the proclamation to Dean Peckham, Executive Director with Sacramento Valley Manufacturing Alliance.

5. Proclamation of the City of Citrus Heights Proclaiming October 8-14, 2023 as “Code Enforcement Officer Appreciation Week”

Council Member Middleton read and presented the proclamation to Debra Nathan, Police Services Supervisor.

The Council took a brief recess.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Karpinski-Costa provided an update from the Sacramento-Yolo Mosquito & Vector Control District. She provided a report from the Sacramento Area Sewer District Board meeting. She announced residents can receive a free flue shot on October 17 from 10 a.m. to 3 p.m. at the Citrus Heights Community Center.

Council Member Middleton added the CalCities Sacramento Valley Division meeting. She stated Indigenous People’s Day was on October 7 and she attended an event at the State Capital. She announced the Citrus Heights Police Activities League Trunk or Treat event on October 25 from 4 p.m. to 8 p.m. at the Police Department. She announced Sunrise Mall is hosting a Zombie Walk on October 14 from 4 p.m. to 9 p.m. She announced Citrus Heights Arts is hosting an Artbeat event on October 14 from 11 a.m. to 3 p.m.

Vice Mayor Daniels attended the San Juan High School homecoming football game. He attended the Citrus Heights Chamber Luncheon. He provided a report from the Sacramento Transportation Authority Board meeting. He announced the Mesa Verde High School homecoming football game will be on October 13 on their new football field.

Mayor Schaefer attended the Mesa Verde High School grand opening of the football field. He announced that the Citrus Heights Community Marching Band Howl-o-ween event will be on October 21 at 9 a.m. on Auburn Boulevard.

CONSENT CALENDAR

6. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Meeting of September 28, 2023
7. **SUBJECT:** Approval of Amendment No. 02 to the Wyatt Ranch Subdivision Improvement Agreement and Amendment No. 01 to the Mitchell Farms Subdivision Improvement Agreement
STAFF REPORT: R. Cave / L. Blomquist
RECOMMENDATION: Staff recommends the following:
 - a. Adopt Resolution No. 2023-093 a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute Amendment No. 02 for the Subdivision Improvement Agreement for the Wyatt Ranch Subdivision
 - b. Adopt Resolution No. 2023-094 a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute Amendment No. 01 for the Subdivision Improvement Agreement for the Mitchell Farms Subdivision

8. **SUBJECT:** San Juan Avenue Complete Streets Project – Phase 1 Federal Project No. STPL 5475 (046) – Approval of Contract Amendment No. 2
STAFF REPORT: R. Cave / L. Blomquist
RECOMMENDATION: Adopt Resolution No. 2023-095 a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute Amendment No. 2 to the Agreement for Professional Services with Bennett Engineering Services, Inc. for the San Juan Avenue Complete Streets Project Phase 1

ACTION: On a motion by Council Member Karpinski-Costa, seconded by Council Member Middleton, the City Council adopted Consent Calendar Items 6, 7 and 8.

AYES: Karpinski-Costa, Lopez-Taff, Middleton, Daniels, Schaefer
 NOES: None
 ABSENT: None

PUBLIC HEARING

9. **SUBJECT:** Review Draft 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program
STAFF REPORT: C. Kempenaar / N. Piva
RECOMMENDATION: Staff recommends the following:
- a. Hear public testimony on the 2024 Draft Action Plan and Funding Recommendations for the Community Development Block Grant Program; and
 - b. Continue final action until the October 26, 2023 City Council meeting

Housing and Human Services Program Coordinator Piva presented the funding recommendations as follows:

Organization	Amount Requested 2024 CDBG	Quality of Life Committee Funding Recommendation
Campus Life Connection	20,000	20,000
Meals on Wheels by ACC	16,000	16,000
Community Link Capital Region & Project Sentinel	23,483	23,483
Sunrise Christian Food Ministry	43,200	30,517
Jake's Journey Home	50,000	-
Total	\$152,683	\$90,000

Public Comment

April Jacek with Sunrise Christian Food Ministry provided an overview of their services and thanked the City Council for their support.

Terese McWilliams with Community Link Capital Region provided an overview of their services and thanked the City Council for their support.

Julie Habeeb with the Sayonara Center thanked the City Council for their support.

Jennifer Massello with Meals on Wheels by ACC thanked the City Council for their support.

City Clerk Van read the following written comment from Alfred Sanchez, "Please fund Sunrise Christian Food Ministries. They are an essential part of our Community. They have dedicated volunteers who donate their time to make this possible. Many people rely on them in tough times."

City Clerk Van read the following written comment from Carole Conn, "Project Sentinel wishes to thank the city of Citrus Heights for its continued support to affirmatively further fair housing protections in the City. We are grateful to be doing this work on behalf of residents experiencing housing discrimination. This funding allows us to investigate housing discrimination complaints and also educate housing providers and property management teams about the federal and state laws that govern fair housing to eliminate and prevent discrimination. Our plan in this new fiscal year is to continue to invest in our outreach, education and investigation of housing discrimination complaints, which complaints have included, in Citrus Heights and throughout Sacramento County, disability discrimination, source of income discrimination, and sex discrimination. This year we are also providing testing and investigation of discrimination experienced by residential providers of childcare services. We look forward to our continued partnership with Citrus Heights to ensure that the barrier of housing discrimination is not occurring in the community. We thank you again for your unwavering support of our work."

No action was taken, the item was continued to the October 26, 2023 City Council meeting.

10. **SUBJECT:** Sylvan Corners Subdivision – 7137 Auburn Boulevard PLN-22-28 General Plan Amendment, Rezone, Tentative Subdivision Map, Design Review Permit and Tree Permit
STAFF REPORT: C. Kempenaar / A. Bermudez
RECOMMENDATION: Staff recommends the following:

- a. Adopt Resolution No. 2023-____ a Resolution of the City Council of the City of Citrus Heights, California adopting a Mitigated Negative Declaration pursuant to the California Environmental Quality Act (CEQA) for the Sylvan Corners Project located at 7137 Auburn Boulevard;
- b. Adopt Resolution No. 2023-____, a Resolution of the City Council of the City of Citrus Heights, California adopting a General Plan Map Amendment, approving a Tentative Subdivision Map, Design Review Permit, and Tree Permit for the Sylvan Corners project located at 7137 Auburn Boulevard subject to the findings and conditions of approval;
- c. Introduce for first reading and read by title only and waive the full reading of Ordinance No. 2023-____, an Ordinance of the City Council of the City of Citrus Heights, California amending Article 5, Chapter 106.50 of the Zoning Ordinance and rezoning the property into the Sylvan Corners Special Planning Area; and
- d. Adopt Resolution No. 2023-____, a Resolution of the City Council of the City of Citrus Heights, California authorizing the City Manager to execute an affordable housing agreement between the City of Citrus Heights and Woodside Homes of Northern CA, for the Sylvan Corners Project located at 7137 Auburn Boulevard

Senior Planner Bermudez provided an overview of the proposed project on the 11.34-acre site which includes, development of 94 single-family residential lots on the former Sylvan Middle school site located at 7137 Auburn Boulevard.

Michael LaFortune with Woodside Homes presented an overview of the proposed project and responded to questions from Council Members.

Public Comment

Forrest Allen spoke in opposition of the proposed project.

Natalee Price spoke in opposition of the proposed project.

City Clerk Van read the following written comment submitted by Donna Brady, "I strongly oppose the addition of the 94-home housing development on Sylvan Corners at the former school site and totally agree with the statements of Sue and Forrest Allen. I too have lived off of Carriage Drive for many years and have experienced the horrendous traffic on Carriage Drive due to the schools on each end of the street. It's impossible to get on Carriage at times when school starts and ends and has become a dangerous street to travel at times. I also have a great appreciation of the history of this location and believe it should be used in a manner that respects that history and enhances the experience of current residents. There were many suggestions given by residents that included establishing facilities that would benefit the youth and community as a whole. I am not only concerned about increased traffic on Carriage Drive, but also on Auburn Blvd. and Old Auburn Road. It's already very dense at times between the Costco/Walmart site up to Sunrise Blvd. on Old Auburn. It appears that the City leaders are entirely ignoring the quality of life of the current residents and care more about building dense housing in a City that has already reached its limits. I sincerely hope you will reconsider this housing development."

City Council questions and comments followed.

Council Member Middleton made a motion to adopt Resolution No. 2023-____ a Resolution of the City Council of the City of Citrus Heights, California adopting a Mitigated Negative Declaration pursuant to the California Environmental Quality Act (CEQA) for the Sylvan Corners Project located at 7137 Auburn Boulevard, Council Member Lopez-Taff seconded the motion. The following roll-call vote was taken.

AYES:	Lopez-Taff, Middleton, Daniels, Schaefer
NOES:	Karpinski-Costa, Schaefer
ABSENT:	None

Council Member Middleton made a motion to adopt Resolution No. 2023-____, a Resolution of the City Council of the City of Citrus Heights, California adopting a General Plan Map Amendment, approving a Tentative Subdivision Map, Design Review Permit, and Tree Permit for the Sylvan Corners project located at 7137 Auburn Boulevard subject to the findings and conditions of approval, Council Member Lopez-Taff seconded the motion. The following roll-call vote was taken.

AYES:	Lopez-Taff, Middleton
NOES:	Karpinski-Costa, Daniels, Schaefer
ABSENT:	None

City Attorney Jones explained that based on this vote the project has not been approved and the rest of the recommended motions are irrelevant to move forward with at this time.

No further action was taken and the project was not approved.

DEPARTMENT REPORTS

None

CITY MANAGER ITEMS

None

ITEMS REQUESTED BY COUNCIL MEMBERS/ FUTURE AGENDA ITEMS

Vice Mayor Daniels requested Council support for evaluating the current dog licensing requirements that was raised during public comment. Council Member Karpinski-Costa supported the request and suggested a review by the City Council Quality of Life ad hoc committee.

Mayor Schaefer requested a resolution of support for the Taxpayer Protection and Government Accountability Act of 2024 be brought back to Council for consideration. Vice Mayor Daniels seconded the request.

ADJOURNMENT

Mayor Schaefer adjourned the regular meeting at 8:47 p.m.

Respectfully submitted,

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Kris M. Frey, Police Commander
Mike Wells, Police Lieutenant

SUBJECT: Office of Traffic Safety (OTS) DUI / STEP Grant

Summary and Recommendation

The Citrus Heights Police Department has been approved for the Selective Traffic Enforcement Program (STEP) DUI grant from California Office of Traffic Safety (OTS). The grant funds will be used for costs incurred by the department during activities such as DUI checkpoints, DUI saturation patrols, DUI recognition training, and distracted driving enforcement. The total funding to be provided by OTS is \$129,065.

Staff recommends Council adopt Resolution No. 2023- ____ a Resolution of the City Council of the City of Citrus Heights, California, approving an agreement and accepting project funding for grant PT24044 with the California Office of Traffic Safety (OTS) and authorizing the City Manager (or designee) to execute the agreement.

Fiscal Impact

There is no fiscal impact on the General Fund. OTS will reimburse any fiscal burden within the guidelines of this grant to the designated fund. No match by the City is required. The total award is \$129,065.

Background and Analysis

OTS administers several grant programs, which includes this DUI / STEP grant program. The purpose of this grant is to reduce the number of driving under the influence incidents within the City, and provide for a safer driving environment for the community. The City of Citrus Heights has had many issues with DUI related incidents, specifically DUI collisions and deaths related to DUI collisions.

Subject: Office of Traffic Safety (OTS) DUI/STEP Grant

Date: October 26, 2023

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This grant and implemented objectives has the ability to reduce the number of DUI drivers in the City. If supported by Council, the Citrus Heights Police Department will send police officers to National Highway Traffic Safety Administration (NHTSA) Standardized Field Sobriety Testing (SFST), NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE), Drug Recognition Expert (DRE), and SFST Instructor trainings.

In addition, the Citrus Heights Police Department will conduct:

- DUI/CDL Checkpoints
- DUI Saturation patrols
- Traffic Enforcement operations focusing on the primary collision factors
- Motorcycle Safety enforcement operations addressing unsafe motorcycle operations
- Distracted Driving enforcement operations addressing the use of hand held cell phones
- Pedestrian and/or Bicycle enforcement operations to decrease collisions resulting from violations made by pedestrians, bicyclists, and drivers

This grant will support continued efforts of educating the public, promoting a safe environment within the community, and reduce the number of persons killed and injured in crashes involving alcohol, drugs, and other primary collision factors.

Attachment

1. Resolution No. 2023- ____ a Resolution of the City Council of the City of Citrus Heights, California, Approving an Agreement and Accepting Project Funding for Grant PT24044 with the California Office of Traffic Safety (OTS) and Authorizing the City Manager (or Designee) to Execute the Agreement

RESOLUTION NO. 2023- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, APPROVING AN AGREEMENT AND ACCEPTING PROJECT FUNDING
FOR GRANT PT24044 WITH THE CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS)
AND AUTHORIZING THE CITY MANAGER (OR DESIGNEE) TO EXECUTE THE
AGREEMENT**

WHEREAS, the Office of Traffic Safety (OTS) allocates funds to provide equipment and funding for officers to staff Driving Under the Influence (DUI) enforcement and awareness programs to reduce DUI related collisions, thereby reducing injuries and fatalities to our citizens and improving public safety;

WHEREAS, the City of Citrus Heights intends to undertake a certain project designated as the DUI Enforcement and Awareness Program; and

WHEREAS, the City was awarded funding for this project in the amount of \$129,065.

NOW THEREFORE BE IT RESOLVED AND ORDERED by the City Council of the City of Citrus Heights that the project funding agreement is hereby approved.

BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to offset existing appropriations controlled by this body.

BE IT FURTHER RESOLVED AND ORDERED that the City Manager, or his designee, is hereby authorized to execute the agreement and any contracts with other agencies arising from the provisions of this agreement. The City Manager and the City Attorney shall be empowered to make minor changes in the contract and any other contracts with other agencies arising out of the agreement.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October, 2023 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Nicole Piva, Housing & Human Services Program Coordinator

SUBJECT: **Review Final 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program**

Summary and Recommendation

The City of Citrus Heights is an “entitlement jurisdiction” under the federal Community Development Block Grant (CDBG) program. The City receives an annual award of CDBG funds from the U.S. Department of Housing and Urban Development (HUD). Although the City will not receive its actual grant amount until mid-2024, staff estimates the City will receive a total of \$600,000 in 2024 entitlement funds.

The 2024 Action Plan allocates the City’s estimated 2024 CDBG funds to activities that will be accomplished during the 2024 calendar year, including public service activities, public infrastructure improvements, as well as planning and administration. The City’s 2024 Action Plan aligns with the goals and priorities outlined in the 2020-2024 Consolidated Plan.

On September 5, 2023 staff met with the Quality of Life committee comprised of Mayor Schaefer and Councilmember Karpinski-Costa and developed recommendations to allocate the City’s 2024 CDBG funding. Staff prepared the 2024 Action Plan to reflect the committee’s recommendations. However, changes can be made to reflect the Council’s majority decision. The City Council held a public hearing on October 12, 2023 to review the draft allocations and receive public feedback.

Staff Recommends the City Council

1. Hear public testimony on the Draft 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program; and
2. Adopt Resolution 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2024

Subject: Review Final 2024 Action Plan and Funding Recommendations for the Community Development Block Grant Program
Date: October 26, 2023
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Action Plan and Authorizing the City Manager or Designee to Execute and File All Documents Required to Receive U.S. Department of Housing and Urban Development Community Development Block Grant Funding

Fiscal Impact

CDBG funds are federal funds from the U.S. Department of Housing and Urban Development (HUD). The CDBG program allows the City to be reimbursed for costs associated with administering the grant. There is no anticipated impact on the City's General Fund associated with this action.

Background and Analysis

In January 2000, the City of Citrus Heights became an entitlement community under the federal CDBG program. As an entitlement community, the City receives federal CDBG funds directly from HUD according to a fixed formula. In 2023, Citrus Heights was awarded \$600,456 in CDBG entitlement funds. The federal allocation for 2024 funds has yet to be determined by the U.S. Congress at the time of this report. In 2024, the City anticipates receiving \$600,000 in CDBG entitlement funds.

Estimated Available 2024 CDBG Funds

Based on the estimated 2024 CDBG award of \$600,000, the City will distribute available funding as follows:

Estimated 2023 CDBG Entitlement Award	\$600,000
Available for public services (15%)	90,000
Available for administration (20%)	120,000
Available for capital projects	390,000

Public Service Proposals

In response to a Notice of Funding Opportunity, the City received five applications for public service projects using 2024 CDBG funds. The total 2024 CDBG request equals \$152,683; the total estimated amount available is \$90,000. The public service project applications are on file and staff can provide copies upon request. The City did receive one new funding request this year.

Summary of 2024 CDBG Public Service Applications

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Date: October 26, 2023
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Public Service Agency	Proposed Activity	Amount Requested (2024 CDBG)	2023 CDBG Award
Campus Life Connection	Sayonara After-School Program	20,000	10,939.80
Meals on Wheels	Senior Nutrition Program	16,000	11,667.80
Community Link Capital Region & Project Sentinel	Tenant Landlord Education & Fair Housing Services	23,483	-
Sunrise Christian Food Ministry	Ongoing Emergency Food Closet	43,200	28,926.80
New Funding Request			
Jake's Journey Home	Mobile Homeless Support Services	50,000	-
TOTALS		\$152,683	\$51,534.40

Funding Recommendations

Based on the available funding and Quality of Life Committee direction, the following table outlines the 2024 CDBG funding allocations. If the City receives a higher amount of entitlement funds than estimated, the increase will be split equally between Campus Life Connection, Meals on Wheels, and Sunrise Christian Food Ministry.

2024 Public Service Funding Recommendations

Public Service Agency	Amount Requested (2024 CDBG)	Quality of Life Committee Recommendation
Campus Life Connection	20,000	20,000
Meals on Wheels	16,000	16,000
Community Link Capital Region & Project Sentinel	23,483	23,483
Sunrise Christian Food Ministry	43,200	30,517
Jake's Journey Home	50,000	-
TOTALS	\$152,683	\$90,000

Capital Project

If approved, the City will use the remainder of the 2024 CDBG allocation, an estimated \$390,000, to fund the CDBG eligible improvements associated with the City's 2024 Residential Street Resurfacing Project.

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In partnership with the General Services Department, the project will consist of accessibility improvements to sidewalks, such as installing missing or repairing damaged sidewalks, installing ADA-compliant pedestrian ramps, and relocating drainage inlets as necessary at various locations yet to be determined.

Program Income

The City anticipates receiving about \$50,000 in program income from loan payments. The City allocates loan payments to the City's Revolving Loan Fund to fund the City's housing repair programs. Consistent with the CDBG guidelines, the City allocates 80 percent of loan payments to the revolving loan fund and the remaining 20 percent to general planning and administration of activities.

Action Plan Review

Staff has drafted the 2024 Action Plan to reflect the recommendations; however, changes may be made to reflect the City Council's majority direction.

The 2024 Action Plan and funding recommendations were made available for a public review and comment period consistent with the City's Citizen Participation Plan. In addition the City Council held a Public Hearing October 12, 2023, to receive feedback on the draft documents. All comments received are incorporated into the City's 2024 Action Plan submitted to HUD.

Attachments

1. Draft 2024 Action Plan and Funding Recommendations
2. Resolution No. 2023- ___, A Resolution of the City Council of the City of Citrus Heights, California, Approving the Community Development Block Grant 2024 Action Plan and Authorizing the City Manager or Designee to Execute and File all Documents Required to Receive U.S. Department of Housing and Urban Development Community Development Block Grant Funding



Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The 2024 Draft Annual Action Plan presents an overview of the goals and projects for the upcoming program year (January 1, 2024 - December 31, 2024) that will address the needs identified in the [Five-Year Consolidated Plan](#). This plan will help address the community development and low-income housing needs within the City of Citrus Heights. The 2024 Draft Annual Action Plan covers year five of implementation of the City's 2020-2024 Consolidated Plan. The City's Housing and Grants Division is responsible for implementing both the Consolidated Plan and the Action Plan.

The 2024 Draft Annual Action Plan allocates the City's estimated 2024 CDBG funds to activities that will be accomplished during the 2024 calendar year, including public service activities, public infrastructure improvements, as well as planning and administration.

On July 1, 2023 City staff released the 2024 CDBG Notice of Funding Opportunity for applicants to apply for public service funding and to have the opportunity to demonstrate how an activity will benefit Citrus Heights residents. Additionally, City staff encourages citizen participation throughout the Action Plan process through strategies such as hosting a funding workshop for potential public service applicants, consulting local organizations, holding public meetings, and inviting public comment while the public has the opportunity to review the draft document.

Using research and input from the public, City staff formulated the objectives and outcomes briefly described below.

2. Summarize the objectives and outcomes identified in the Plan

The City's key objectives are based on public outreach received during the implementation of the 2020-2024 Consolidated Plan:

- Build healthy communities;
- Improve public infrastructure;
- Enhance accessibility;

- Improve public services for priority populations;
- Improve housing access and affordability; and
- Expand economic opportunities.

In addition, the objectives listed above align closely with four of the City Council's three-year strategic goals:

- Maintain and Enhance Fiscal Stability
- Enhance Community Vibrancy and Engagement,
- Maintain Public Infrastructure and Enhance Alternative Modes of Transportation; and
- Preserve and Enhance Public Safety.

Within those objectives, the City identified eight CDBG goals carried out throughout the 2020-2024 Consolidated Plan:

- Foster affordable housing;
- Provide services for people experiencing homelessness;
- Provide services for seniors and youth;
- Provide additional public services responsive to current public needs;
- Improve accessibility;
- Construct/upgrade public facilities;
- Effectively administer the CDBG program to benefit the Citrus Heights community; and
- Affirmatively further fair housing.

To address the goals, the City plans to partner with Habitat for Humanity to assist in the funding of an affordable housing project on Sayonara Drive. This affordable housing project will be funding with a variety of funding sources to meet the City's funding contribution.

In addition, the City will provide loans/grants to homeowners for health and safety repairs, support nonprofits by offering a variety of social services, provided services to those experiencing homelessness, provide the Renters Helpline which fulfills the goal to affirmatively further fair housing, and to assist with accessibility and other public infrastructure improvements.

The City anticipates funding these activities using a variety of funding sources, including: Community Development Block funds, Permanent Local Housing Allocation funds, General funds, and loan payments.

3. Evaluation of past performance

The City evaluated its past performance as part of setting the goals and strategies associated with the five-year Consolidated Plan as part of determining which activities to fund in the Program Year (PY) 2024. The City is currently implementing year five (PY 2024) of the 2020-2024 Consolidated Plan period.

Full accomplishments and progress toward the Consolidated Plan goals are reported in the Consolidated Annual Performance and Evaluation Report (CAPER) which can be found on the City's website.

([Community Development Block Grant | Citrus Heights, CA - Official Website \(civicplus.com\)](https://www.civicplus.com))

This 2024 Draft Annual Action Plan was created while activities for PY 2023 are still underway and have yet to be completed:

The City has partnered with a number of unique nonprofit organizations in PY 2023 to implement programs and critical public services such as meal delivery to Citrus Heights seniors, supporting an emergency food closet and an afterschool youth program.

The City continues to take steps to identify and address needs related to homelessness. Since 2018, the City had been working with Sacramento Self-Help Housing to provide the Renters Helpline and Housing Counseling/Navigator Program. May 2023, Sacramento Self-Help Housing dissolved due to a bankruptcy. City staff quickly began evaluating opportunities to partner with other agencies to continue services. In July 2023 the City entered into an agreement with Community Link Capital Region, also known as 2-1-1 Sacramento and Project Sentinel to provide a telephone and Internet-based "Renters Helpline" which provides counseling, dispute resolution, and fair housing services for residents in a housing crisis or dispute.

In October 2023 the City entered into a Memorandum of Understanding (MOU) with Sacramento County Department of Homeless Services and Housing which Community Health Works, formerly known as Sacramento Covered for outreach and navigation services for unsheltered homeless living in the City of Citrus Heights. This program is funded through an American Rescue Plan Act (ARPA) district-directed funding allocation for Sacramento County District 4, Supervisor Sue Frost. Through this collaboration, ARPA funding has been directed to DSHS to fund a 1.0 FTE Community Health Worker (CHW), client assistance support and associated administrative costs to provide a CHW to the City of Citrus Heights.

The City also allocated CDBG and other state and local funds to complete the 2023 Residential Street Resurfacing Project, which added sidewalks and curb ramps primarily in low income neighborhoods and other high traffic intersections to increase pedestrian safety, walkability, and meet Americans with Disability Acts requirements. This project is still underway and is expected to be completed by the end of PY 2024.

The City continues to support low income homeowners make health and safety improvements to their home through the City's Revolving Loan Fund (RLF).

CDBG-CV funds continue to be used to prevent, prepare for, and respond to the COVID-19 by addressing food insecurity and providing resources to unhoused individuals. CDBG-CV funds were used to support the Critical Home Repair Grant Program which provides grants to low income mobilehome homeowners

impacted by COVID-19, with the goal of preventing homelessness. The City has currently spent \$857,819 of its CDBG-CV funds and is on track to meet all associated expenditures deadlines.

The City typically devotes the full fifteen percent of CDBG funds allowed to public services, serving households with a range of services, from meals to housing counseling. Many households have come depend on these services. The City plans to continue to devote the maximum allowable CDBG funding to public services, and to supplement it with other sources of revenue when available.

4. Summary of Citizen Participation Process and consultation process

HUD Consolidated Plan regulations provide guidelines and requirements for the City to develop a Citizen Participation Plan that governs the public input and noticing process for creating the Consolidated Plan and Annual Action Plans. The goal of the Citizen Participation Plan is to encourage public participation in the planning and allocation of CDBG funds and implementation of related program. Several opportunities for public participation are provided during the Annual Action Plan process prior to adoption.

Opportunities for participation and comment throughout the 2024 Annual Action Plan process includes:

- July 1, 2023, City staff released a Notice of Funding Opportunity to notify interested parties of the City's available CDBG funds.
- July 19, 2023, City staff held a funding application workshop for prospective applicants. Staff sent emails to a large mailing list of interested persons and organizations along with a news items posted on the City's Housing Division Webpage [Housing & Grants Division | Citrus Heights, CA - Official Website \(civicplus.com\)](https://www.civicplus.com). The workshop was attended by representatives from five nonprofits and staff members.
- A public notice announcing the 2024 Draft Annual Action Plan was published in *The Citrus Heights Messenger*, *Slavic Sacramento Newspaper*, *City Hall Lobby*, and *City's webpage*.
- The public is able to review and comment on the 2024 Draft Action Plan beginning September 27, 2023 and will end at 8:00 AM October 27, 2023.
- The City will offer an opportunity for public comment during public hearing on October 12, 2023 City Council meeting. City Council reviewed funding recommendations for the 2024 Draft Annual Action Plan and will incorporate any public comment received.
- The City will offer a final opportunity for public comment during second public hearing held on October 26, 2023 City Council meeting. City Council adopted the 2024 Draft Action Plan by Resolution and will incorporate any public comment received.

5. Summary of public comments

The City has not received public comment as of yet.

6. Summary of comments or views not accepted and the reasons for not accepting them

All public comments received will be incorporated into the Final Annual Action Plan.

7. Summary

As part of the Consolidated Plan effort, the City selected two key priorities:

- Building healthy communities; and
- Expanding economic opportunities.

Within these priorities, the City identified eight main goals:

- Foster affordable housing;
- Provide services for people experiencing homelessness;
- Provide services for seniors and youth;
- Provide additional public services responsive to current public needs;
- Improve accessibility;
- Construct/upgrade public facilities;
- Effectively administer the CDBG program to benefit the Citrus Heights community; and
- Affirmatively further fair housing.

To address these goals, the City plans to fund the construction of affordable housing on Sayonara Drive, provide loans/grants to homeowners for health and safety repairs, support nonprofits offering a wide-range of social services, provide services to those experiencing homelessness, assist with accessibility and other public improvements. Other types of projects may be considered as needed throughout the Consolidated Plan timeframe. The City anticipates funding activities using a variety of sources, including CDBG, PLHA, HOME, ARPA, General Fund, and grants received by the City. The City will work with local and regional nonprofits, as well as affordable housing developers, to implement many of the activities.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	CITRUS HEIGHTS	Community Development Department
HOME Administrator	CITRUS HEIGHTS	Sacramento Housing Redevelopment Agency

Table 1 – Responsible Agencies

Narrative

The City of Citrus Heights, through the Community Development Department, is the lead agency for preparing the Annual Action Plan and for the administration of the CDBG Program.

For the receipt of HOME funds, the City is in a HOME Consortium with Sacramento County, City of Sacramento, and the City of Rancho Cordova. The Sacramento Housing and Redevelopment Agency (SHRA) is the lead agency for the HOME Consortium.

Consolidated Plan Public Contact Information

City of Citrus Heights
6360 Fountain Square Drive
Citrus Heights, CA 95621
Attention: Housing & Human Services Program Coordinator
916-727-4752
npiva@citrusheights.net

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)**1. Introduction**

In preparing for the 2020-2024 Consolidated Plan, the City consulted with a variety of agencies, including local and regional nonprofits, the City of Citrus Heights made efforts to consult with a variety of agencies, including local and regional nonprofits and stakeholders during the development of the 2024 Draft Annual Action Plan. The City's consultation efforts are summarized in the following section.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

In preparing the 2024 Draft Annual Action Plan, the City of Citrus Heights consulted with a number of local service providers and public agencies to identify local needs and evaluation opportunities for partnership and improved coordination. The following sections will discuss the consultation process, the public comment process, and the planned coordination efforts.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

City staff is an active member the Sacramento Continuum of Care (CoC), which is currently administered by Sacramento Steps Forward. The Sacramento CoC covers all the cities, towns and unincorporated area of Sacramento County. The Sacramento CoC addresses critical issues related to homelessness through a coordinated community-based process promoting the communitywide commitment to the goal of ending homelessness. In addition, City staff participates in regional coordination through the Funder's Collaborative.

The City supports the Citrus Heights Homeless Assistance Response Team (HART) and its efforts, including the Winter Sanctuary, Student Connect, a resource fair for students and families in transition, the Veterans Stand Down, and other events throughout the year. The City previously worked with Sacramento Self-Help Housing and is currently working with Community Health Works to provide outreach services for people experiencing homelessness. Additionally, Meals on Wheels and the Sunrise Christian Food Ministry provide emergency food services to those at-risk of homelessness and those currently experiencing homelessness.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Sacramento Steps Forward, the lead agency for the Sacramento Continuum of Care, receives funding through Sacramento Housing Redevelopment Agency (SHRA). In addition, Sacramento Steps Forward administers the Homeless Information Management System (HMIS) as well as the available Emergency Shelter Grant (ESG) funds for the Sacramento region.

Although, Citrus Heights does not meet the population requirement to receive Emergency Shelter Grant funds directly.

2. Agencies, groups, organizations and others who participated in the process and consultations

Refer to Table 2 – Agencies, groups, organizations who participated.

1	Agency/Group/Organization	City of Citrus Heights
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development

	<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Staff consulted with representatives from the Community Development Department, General Services Department, and Police Department as part of the development of the Consolidated Plan. Stakeholder surveys were emailed to representatives from the three departments listed above. In addition, staff held meetings with department representatives to further discuss department priorities and opportunities for increased coordination. In addition, all city staff members were emailed a link to participate in the community survey. In discussions with other departments, staff in the Citrus Heights Police Department identified a need for additional resources for the Citrus Heights Homeless Navigator. While she has been successful, there is a need for additional housing, both temporary and permanent, and resources for related costs to eliminate barriers to housing, such as application fees and transportation. Staff in the General Services Department identified a need for accessibility improvements to public infrastructure, such as upgrades to signalized intersections and ADA-compliant sidewalks and crosswalks. The Community Development Department identified a need for improvements to parks and public facilities within the city as well as a need to rehabilitate aging housing stock.</p>
2	Agency/Group/Organization	Citrus Heights Collaborative

	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Other government - Local Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy

	<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Citrus Heights Collaborative is an informal network of community members representing government agencies, nonprofits, religious institutions, businesses, and neighborhood groups. Specifically, the group is comprised of local government, nonprofits, and community members, fraternal and faith-based organizations. City staff held a work session at the Collaborative meeting on September 12, 2019 Collaborative meeting to obtain stakeholder feedback. A total of 21 stakeholders attended the Collaborative work session. Citrus Heights Staff: Colleen McDuffee, Community Development Director Mary Poole, Operations Manager, General Services Organizations: San Juan Unified School District, Natalia Aguirre, Elizabeth Thomas, Christina Sparks, Mariela Silva, Debbie Chiguina-OwensAetna Better Health - Merrett Sheridan, Martin GonzalesCH Resident (Antelope Neighborhood), Ken HornerSylvan Middle School Neighborhood Liaison, April Jacek Sunrise Recreation Park District, Becky HenzThe Glass Slipper, Jackie Guzman Sayonara Center, Julie Habeeb Crossroads, Matthew Rorario, Maihina Lee Stakeholders from the Collaborative noted the clients they serve have a need for increased access to transportation, free after school programs, mental health services, affordable housing (particularly for transitional youth), increased number of foster families, employment opportunities, emergency food, and recreational opportunities.</p>
3	Agency/Group/Organization	SUNRISE RECREATION AND PARK DISTRICT
	Agency/Group/Organization Type	<p>Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Other government - Local</p>

	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Sunrise Recreation Park District (SRPD) participated via the City's online stakeholder survey and at the September 13 Collaborative meeting. SRPD staff noted a lack of funding as a factor that impacts its ability to provide services to the Citrus Heights community. SRPD staff also stated generally how the homeless population continues to grow and parks are being heavily impacted by transient and drug activity. SRPD also noted a need to get the word out about available services and programs.
4	Agency/Group/Organization	About Kidz
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	About Kidz participated in the city's online stakeholder survey. The nonprofit provides school supplies, sports program sponsorships, and tutoring services for low-income students. The nonprofit noted the following as their greatest needs include: school supplies, access to youth sports, tutoring, transpiration, and mentoring. Funding was listed as the organizations greatest need.
5	Agency/Group/Organization	Sacramento Self Help Housing
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Sacramento Self-Help Housing (SSHH) provides housing counseling and homeless navigation services for the City of Citrus Heights. The citys Homeless Navigator completed the citys online stakeholder survey and identified housing as the greatest need of her clients.
6	Agency/Group/Organization	Campus Life Connection, Sayonara After School Program
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Campus Life Connection participated in the citys online stakeholder survey and the Collaborative work session on September 13. The nonprofit operates the Sayonara Center and provides after-school tutoring, mentoring, and food to Citrus Heights students. The following were identified as the clients greatest needs: nonperishable food for children when school is out (weekends & holidays), mentorship, safe space, community, homework assistance and support, recreational opportunities for youth. The nonprofit noted its organizations greatest needs are locating enough food to provide good meals each day and funding to staff the Center.

7	Agency/Group/Organization	WEAVE
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-Health Services - Victims Child Welfare Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	WEAVE completed the city's online survey. The organization stated their clients greatest need is safety, including emergency shelter, protective orders, legal assistance, advocacy, and counseling. WEAVE noted barriers to providing services include transportation and funding. Existing shelters are not located in Citrus Heights which can create transportation barriers for victims who need shelter but also continue to work or have children in Citrus Heights.
8	Agency/Group/Organization	City of Woodland
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Staff sent an email to representatives of neighboring local governments asking these questions: 1) What are your housing and community development priorities? 2) Is there anything the City of Citrus Heights can do to improve coordination between local governments/agencies in order to advance regional housing and community development priorities? Dan Sokolow, Senior Planner, noted the City of Woodland have the following high priority needs including: Public Services: emergency food and shelter for the homeless and at risk homeless, youth services, employment training, crime awareness, fair housing counseling, and health services. Infrastructure: public facilities and improvements (general, including accessibility for physically disabled, ADA), youth centers, parks, recreational facilities, rehabilitation of single family homes, and administration for single family rehabilitation program.
9	Agency/Group/Organization	San Juan Unified School District
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-homeless Services-Education
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted representatives from the San Juan School District (SJUSD) via an online stakeholder survey and the Collaborative work session, SJUSD representatives noted a need among clients for free after school programs, expanded mental health services, one-on-one mentoring programs, community events, housing for transitional aged youth, and more foster families. SJUSD stated barriers to provide services in Citrus Heights include a lack of funding, transportation, and trust issues related to immigration status.
10	Agency/Group/Organization	SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
	Agency/Group/Organization Type	PHA Services - Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted with SHRA via online stakeholder survey as well as targeted emails and phone calls. SHRA provided the city with information related to public housing properties; this information has been included in the Market Analysis and Needs Assessment sections.
11	Agency/Group/Organization	First Call Hospice
	Agency/Group/Organization Type	Services-Elderly Persons Services-Health
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted with Rachelle Doty via stakeholder survey as well as targeted emails and phone calls. Rachele Doty noted the greatest need for her clients include caregiving, caregiving support, and financial assistance. The survey response indicates there is a need for more community outreach to inform the public of hospice benefits currently available to community members as part of the Medicare program.
12	Agency/Group/Organization	Citrus Heights Homeless Assistance Resource Team
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted with Kathilynn Carpenter, Executive Director of HART via email. Ms. Carpenter noted a significant need for funds to provide housing assistance. In addition, Ms. Carpenter expressed a need for a HART transitional home to provide emergency housing in Citrus Heights. Two HART volunteers who filed out the online stakeholder survey pointed out the need for more housing, clothing, and support for those experiencing homelessness in Citrus Heights. The group expressed a need for an additional homeless navigator and more funding to support services. The biggest barriers cited by HART include lack of housing for vulnerable individuals and empathy from community members toward people in need.
13	Agency/Group/Organization	Citrus Heights Chamber of Commerce
	Agency/Group/Organization Type	Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted representatives of the Citrus Heights Chamber of Commerce via an online stakeholder survey. Ilene Martzen, Chamber of Commerce Board Chair, stated the clients are primarily business owners. The Chambers greatest needs include opportunities for business owners to meet other business owners in order to be referred to business associates, friends, and families to grow their businesses. The Chamber is working to increase the number of signature economic development events offered annually in Citrus Heights.

14	Agency/Group/Organization	Sacramento County Behavioral Health Services
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services - Victims Health Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Staff consulted with Sacramento County Division of Behavioral Health Services via the city's online stakeholder survey. Monica Rocha-Wyatt submitted a survey response indicating there is a need for affordable housing, educational support and opportunities, and supporting navigating systems. One barrier noted is the lack of adult mental health service provider in Citrus Heights.
15	Agency/Group/Organization	Development Services - City of Elk Grove
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs

How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff consulted with City of Elk Grove via email. Alicia Tutt, Development Services Housing with City of Elk Grove provided input. What are your agencies top priorities related to housing and community Development? 1. New construction of affordable housing units. 2. Addressing missing middle housing. 3. Strategic land acquisition. 4. Improve accessibility. Is there anything the city can do to help advance your agencies housing community development priorities? 1. Continue to be an active partner in regional collaborations and partnerships.
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Table**Identify any Agency Types not consulted and provide rationale for not consulting**

Through the development of the 2020-2024 Consolidated Plan and Action Plan the City consulted a variety of agencies serving Citrus Heights residents and the region. No agency types were specifically left out of the consultation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Sacramento Steps Forward	The goal of addressing homelessness.
Analysis of Impediments to Fair Housing Choice	Sacramento Housing Redevelopment Agency (SHRA)	Provides information to residents on the needs and goals around housing.
Housing Element	City of Citrus Heights	To foster affordable housing.

Table 2 - Other local / regional / federal planning efforts

AP-12 Participation - 91.401, 91.105, 91.200(c)**1. Summary of citizen participation process/Efforts made to broaden citizen participation****Summarize citizen participation process and how it impacted goal-setting**

The City offered several opportunities for participation and comment throughout the Annual Action Plan process, as indicated below.

All comments received through the citizen participation process will be incorporated into the 2024 Final Annual Action Plan. All public comments will be taken into consideration when setting annual goals and funding priorities.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Internet Outreach	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Non-profit organizations</p>	<p>July 1, 2023, Notice of Funding Opportunity for 2024 CDBG funding was made available through the City's Notify-Me to interested parties, Housing Webpage, CDBG Distribution List, and Citrus Heights.</p>	<p>No comments have been received.</p>	<p>No comments have been rejected.</p>	<p>Housing & Grants Division Citrus Heights, CA - Official Website (civicplus.com)</p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Meeting	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>July 19, 2023, the City staff held a CDBG funding assistance workshop for prospective applicants. The workshop was noticed in a variety of ways, including via the City's webpage and a large mailing list of interested stakeholders.</p>	<p>No comments have been received.</p>	<p>No comments have been rejected.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>September 27, 2023, the public notice has been published in the Citrus Heights Messenger, Slavic Sacramento, City Hall and City's webpage to notify the public about the public comment period for the 2024 Draft Annual Action Plan, and advertising the date of the two public hearings.</p>	No comments have been received.	No comments have been rejected.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Internet Outreach	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>During the 30-day public review and comment period the 2024 Draft Annual Action Plan was made available at the following locations: Citrus Heights City Hall, Sylvan Oaks Library, and City of Citrus Heights website.</p> <p>A public notice was placed in the Citrus Heights Messenger, Slavic Sacramento City Hall and City's website concurrent with the start of a 30-day public comment period.</p>	No comments have been received.	No comments have been rejected.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Non-Profit Organizations</p>	The City will hold a public hearing on October 12, 2023 to hear public comment and for City staff to provide funding recommendation to City Council on the 2024 Draft Annual Action Plan.	No Comments have been received.	No comments have been rejected.	

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Public Hearing	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Non-Profit Organizations	The City will hold a second public hearing on October 26, 2023 to hear public comment and for City Council to adopt the 2024 Annual Action Plan by resolution.	No comments have been received.	No comments have been rejected.	

Table 3 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The City anticipates receiving approximately \$600,000 in CDBG funds for the 2024 program year. At the time of publication of this 2024 Draft Annual Action Plan for public comment, the City has not been notified by HUD of the precise amount of funding to be awarded to the City. The baseline funding amount identified in this plan are based on the City's prior year program awards.

The City anticipates \$50,000 in Program Income that is directly attributed to loan fund repayments. The City will utilized 20% of the proceeds for

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administrative costs and the remaining amount will be utilized in the City's Revolving Loan Fund.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	600,000	50,000	39,328.71	689,328.71	0	<p>The City anticipates receiving approximately \$600,000 in annual entitlement funds.</p> <p>City anticipates receiving \$50,000 Program Income generated from loan fund repayments.</p> <p>Prior year resources include unspent funds that may be used for a capital improvement project.</p>

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
General Fund	public-local	Public Services	104,498	-	-	104,498	0	The City allocated General fund monies to support nonprofits: Campus Life Connection, Meals on Wheels, and Sunrise Christian Food Ministry. These nonprofits are also recommended to receive 2024 public service funds.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Permanent Local Housing Trust Fund (PLHA)	public - state	Housing	1,876,554	0	0	1,876,554		The City received a PLHA funding from Housing and Community Development (HCD) in the amount of \$1,876,554. This is a five-year budget. A portion of funds will be used to fund the Sayonara Drive Redevelopment Project and Navigator Program, since the dissolution of Self-Help Housing, who was previously providing navigator services these funds may be reallocated to an eligible project.

Table 4 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program does not have a matching requirement. With respect to public services, the City requires sub recipients to identify other resources that will be utilized during the program year to operate and implement CDBG supportive activities. It is the City intent to ensure that adequate non-federal and private funds are available, thus minimizing the City's dependence on federal funds. However, the City does add general funds to further support many of the nonprofits receiving CDBG funds. All capital improvement projects funded with CDBG have utilized other federal and state funding sources such as Measure A funds and Drainage funds, to complete design, engineering, and construction work that exceeds the City's CDBG allocation for these projects.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is in pre-planning phase for the Sayonara Drive Redevelopment Project. March 2023, the City and Habitat for Humanity of Greater Sacramento entered into a Memorandum of Understanding in the development of 26 replacement housing units on Sayonara Drive. The 26 single family units will meet the City's obligation to replace blighted housing units demolished between 2008 and 2010. The new for-sale housing units will be sold to qualifying low-income persons/families who participate in Habitat's program which provides affordable ownership opportunities. The City has previously invested CDBG funds in this neighborhood, specifically the Citrus Heights Children and Youth Center, and hopes to continue encouraging projects that increase residents' access to public services.

The City has made efforts to 1) take the lead in the design, construction, and funding of public improvements; 2) improve the appearance of commercial districts; and 3) stimulate private investment. These efforts have included streetscape enhancement projects and a campaign to revitalize the Auburn Boulevard Specific Plan Area. The campaign included assisting business owners with improving their customer base, one-on-one consulting, and a variety of grants and fee waivers to assist the property and business owners along the Auburn Boulevard corridor.

Additionally, September 2019 the City purchased from San Juan Unified School District the vacant 11.34-acre site at Sylvan Corners. In 2020, the City released an Offering Memorandum (OM) to the development community seeking qualified developers interested in the site. Following the City's release of the OM, Woodside Homes submitted a development proposal. Soon thereafter, the City entered into a purchase and sale agreement with Woodside Homes for the proposed single-family development. In accordance with the Surplus Lands Act, a portion of the housing development will be restricted to low- and moderate-income homeowners. July 13, 2023, the City adopted Affordable Ownership

Program Guidelines to be used in partnership with the City, Developer and Buyer on the affordable component of this project.

This project is in the pre-development stages and is projected to begin construction mid-April 2024.

Discussion

As stated above, the City has demonstrated the utilization of land to address the City's Consolidated Plan needs, including to promote affordable housing and economic development in Citrus Heights.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Foster affordable housing	2020	2024	Affordable Housing	Citywide	Building Healthy Communities Enhance Accessibility Improve Housing Access and Affordability	CDBG: \$50,000 CDBG Prior Year Funds: \$39,328.71	The City uses any program income (loan payments) received into its Revolving Loan Fund to be used to issue new housing repair loan loans: 1 Household Served (estimate) CDBG Prior Year Funds allocated to the Revolving Loan Fund.

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Services for people experiencing homelessness	2020	2024	Homeless	Citywide	Building Healthy Communities Improve Public Services for Priority Populations Improve Housing Access and Affordability Expand Economic Opportunities	American Rescue Plan Act District-Directed Funding – Sacramento County District 4, Supervisor Sue Frost ARPA: \$344,836 (reflects funding through December 31, 2025)	Homelessness Prevention: 100 Persons Served Public Service Agency: Community Health Works Service Provided: Community Based Navigation Services: 1 FTE Community Health Worker, client assistance support and associated administrative costs.

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Services for seniors and youth	2020	2024	Non-Homeless Special Needs	Citywide	Building Healthy Communities Improve Public Services for Priority Populations	CDBG: \$36,000 General Fund: \$102,000	Public service activities other than Low/Moderate Income Housing Benefit: 290 Persons Served Public Service Agency: Campus Life Connection will provide an After-School Youth Program, and will serve 105 youth. Public Service Agency: Meals on Wheels will provide a Senior Meal Program and will serve 185 seniors.

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Provide public services responsive to current need	2020	2024	Non-Homeless Special Needs	Citywide	Building Healthy Communities Improve Public Services for Priority Populations	CDBG \$30,517	Public service activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted Public Service Agency: Sunrise Christian Food Ministry will provide an Emergency Food Closet Program, and will serve 5,000 persons.
5	Improve accessibility	2020	2024	Non-Housing Community Development	Citywide	Building Healthy Communities Improve Public Infrastructure Enhance Accessibility	CDBG: \$390,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,000 Persons Assisted
6	Effectively administer CDBG program	2020	2024	Program Administration	Planning & Administration activities will be undertaken by City Staff at Citrus Heights City Hall.	Building Healthy Communities	CDBG: \$120,000	Effectively administer the federal CDBG program in accordance with HUD regulations.

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Affirmatively further fair housing	2020	2024	Affordable Housing	Citywide	Building Healthy Communities Improve Public Services for Priority Populations Improve Housing Access and Affordability	CDBG \$23,483	Public service activities other than Low/Moderate Income Housing Benefit: 425 Persons Assisted Public Service Agency: Sacramento Self-Help Housing will provide the Renters Helpline, and will serve 425 persons.

Table 5 – Goals Summary

Goal Descriptions

1	Goal Name	Foster affordable housing
	Goal Description	<p>The City utilizes program income (loan payments) received to issue new housing repair loans. The City estimates receiving approximately \$50,000 annually in program income. Consistent with CDBG guidelines, 80 percent of loan payments goes towards the revolving loan fund and the remaining 20 percent of program income goes towards general planning and administration of activities.</p> <p>City recommends funding the Housing Rehabilitation Projects using Revolving Loan funds to assist low-income homeowners with health and safety repairs.</p>
2	Goal Name	Services for people experiencing homelessness
	Goal Description	<p>The City is working with Sacramento County Department Homeless Services and Housing (DHS) to provide homeless outreach and navigation services to unsheltered individuals living in a state of homelessness within the City of Citrus Heights. DHS has an existing agreement with Community Health Works, previously known as Sacramento Covered for outreach and navigation services for unsheltered homeless population living in the American River Parkway and Unincorporated County. This program is funded through an American Rescue Plan Act (ARPA) district-directed funding allocation for District 4, Supervisor Sue Frost. Through this collaboration, ARPA funding has been directed to DHS to fund a 1.0 FTE Community Health Worker, client assistance support and associated administrative costs to provide a CHW to the City of Citrus Heights.</p>
3	Goal Name	Services for seniors and youth
	Goal Description	<p>City recommends allocating \$20,000 in public service funds to Campus Life Connection to provide an after-school program and \$16,000 in public service funds to Meals on Wheels to provide a senior meal program.</p>
4	Goal Name	Provide public services responsive to current need
	Goal Description	<p>City recommends allocating \$30,517 in public service funds to Sunrise Christian Food Ministry to operate an emergency food closet at Advent Lutheran Church in Citrus Heights.</p>

5	Goal Name	Improve accessibility
	Goal Description	City is recommending to fund the 2024 Residential Resurfacing Project. CDBG funds will support construction and reconstruction of ADA compliant facilities, such as curb access ramps, to provide accessible means of transportation for our visually impaired population as well as those reliant upon wheel chairs and mobility scooters. Locations selected for use of CDBG funds will be identified in concert with the planned future resurfacing project, locations will be identified by mid-2024. Funding for this activity is estimated at \$390,000.
6	Goal Name	Effectively administer the federal CDBG program in accordance with HUD regulations.
	Goal Description	City recommends allocating \$120,000 of its annual allocation to general planning and administration. Any program income the City receives during the program year (20 percent) will go towards planning and administration of activities.
7	Goal Name	Affirmatively further fair housing
	Goal Description	As part of a regional partnership, City recommends allocating \$23,483 to Community Link Capital Region (\$14,568) and Project Sentinel (\$8,915) for the City's share of the Renter's Helpline Program. The cost sharing percentage may vary each year, the cost is dependent upon each jurisdictions number of rental units.

AP-35 Projects - 91.420, 91.220(d)**Introduction**

The table below summarizes the City's recommendation to allocate 2024 Community Development Block Grant funding. On September 5, 2023, the Quality of Life Committee recommended funding the following 2024 CDBG projects. On October 12, 2023, the City Council will hold public hearing on the draft 2024 Action Plan on October 26, 2023, the City will hold a second public hearing to hear public comment and to adopt the 2024 Action Plan by Resolution.

#	Project Name
1	2024 Planning and Administration
2	2024 Public Services
3	2024 Residential Resurfacing Project
4	Home Repair Projects (Ongoing)

Table 6 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

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AP-38 Project Summary

Project Summary Information

1	Project Name	2024 Planning and Administration
	Target Area	N/a
	Goals Supported	Effectively administer CDBG program
	Needs Addressed	Building Healthy Communities
	Funding	CDBG: \$120,000
	Description	Effectively administer the federal CDBG program in accordance with HUD regulations.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	The planning and administration activity allows staff to effectively administer the CDBG program so it benefits all types of families living in Citrus Heights.
	Location Description	Planning & Administration activities will be undertaken by City staff at Citrus Heights City Hall.
2	Planned Activities	Funds will be used to coordinate, administer and monitor the CDBG program, and prepare reports and plans required by HUD.
	Project Name	2024 Public Services
	Target Area	Citywide
	Goals Supported	Services for people experiencing homelessness Services for seniors and youth Provide public services responsive to current need Affirmatively further fair housing
	Needs Addressed	Building Healthy Communities Improve Public Services for Priority Populations Expand Economic Opportunities
	Funding	CDBG: \$90,000
	Description	The City has allocated the maximum 15 percent of its annual allocation toward public services. Any additional public service funding available will be distributed per the direction of the City Council.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 5,715 total persons/households will benefit from the proposed public service activities offered by the nonprofits agency. The services will benefit low-to moderate income persons/households.

	Location Description	Nonprofits offer services at various locations throughout the City: <u>Campus Life Connection</u> : 7836 Sayonara Drive, Citrus Heights <u>Meals on Wheels</u> : Meals are delivered to seniors as well as seniors may attend nearby Café sites. <u>Sunrise Christian Food Ministry</u> : 5901 San Juan Road, Citrus Heights <u>Renters Helpline</u> : Community Link Capital Region (CLCR) is located at 8001 Folsom Boulevard, Sacramento, CA 95691 and Project Sentinel is located at 1490 El Camino Real, Santa Clara, CA 95050.
	Planned Activities	PY 2024 EN Activities: <u>Campus Life Connection (Matrix Code 05D, LMC)</u> : Operate an after-school center that provides low-income youth with educational support and recreational activities. Activities include mentoring, tutoring, educational games, technology center, and daily nutritious meals to an estimated 105 youth. Estimated funding for this activity is \$20,000. <u>Meals on Wheels (Matrix Code 05A, LMC)</u> : Provide a balanced, nutritious meals Mon-Fri, 250 days per year to an estimated 185 seniors either drive thru distribution of meals at Rusch Par five days a week or by delivery to homebound seniors. Estimated funding for this activity is \$16,000. <u>Community Link Capital Region and Project Sentinel: Renter's Helpline (Matrix Code: 05K, LMC)</u> : To provide a telephone and Internet-based "Renters Helpline" which provides counseling, dispute resolution, and fair housing services for residents in a housing crisis or dispute to approximately 425 households. Estimated funding for this activity is \$23,483 <u>Sunrise Christian Food Ministry, Emergency Food Bank (Matrix Code: 05W, LMC)</u> : To provide ongoing emergency food to approximately 5,000 low-income and homeless persons in Citrus Heights. Funding for this activity is \$30,517.
3	Project Name	2024 Residential Street Resurfacing Project
	Target Area	Citywide
	Goals Supported	Improve accessibility
	Needs Addressed	Building Healthy Communities Improve Public Infrastructure
	Funding	CDBG: \$390,000

	Description	The City's General Services Department will use the CDBG portion of funding on accessibility improvements.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 1,000 individuals will benefit from this activity.
	Location Description	Locations have not yet been determined
	Planned Activities	<u>2024 Residential Street Resurfacing Project (Matrix Code 03K, LMA):</u> The City will allocate funding to the 2024 Residential Street Resurfacing Project. CDBG funds will support construction and reconstruction of ADA compliant facilities, such as curb access ramps, to provide accessible means of transportation for our visually impaired population as well as those reliant upon wheel chairs and mobility scooters. Locations selected for use of CDBG funds will be identified in concert with the planned future resurfacing project.
4	Project Name	Home Repair Project (Ongoing)
	Target Area	Citywide
	Goals Supported	Foster affordable housing Improve accessibility
	Needs Addressed	Building Healthy Communities Enhance Accessibility Improve Housing Access and Affordability
	Funding	CDBG: estimated \$50,000
	Description	<u>Home Rehabilitation Project: (Matrix Code 14A, National Objective LMH):</u> Receipts from previous CDBG-funded loans are used to make new home repair loans/grants to low-income households. This activity is funded with the City's Revolving Loan Fund using program income generated from loan payments.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Based on an estimated annual program income amount, one eligible household will benefit from the proposed activity.
	Location Description	The home must be located within the incorporated boundaries of the City of Citrus Heights.

	Planned Activities	To provide housing repair loans/grants not exceed \$60,000. Any loan repayments will go towards the Revolving Loan Fund to make new loans and grants for repairs such as reduce accumulated deferred maintenance, enhance the health and safety of the home, and improve energy efficiency.
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 1 eligible households will benefit from the activity.
	Location Description	Citywide
	Planned Activities	Provide home repairs and/or accessibility to reduce accumulated deferred maintenance, enhance the health and safety of the home, and improve energy efficiency.

AP-50 Geographic Distribution - 91.420, 91.220(f)**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The geographic distribution is predicted on the nature of the activity to be funded. All public services activities and housing repair projects are offered to residents citywide. Capital projects including accessibility improvements are selected in coordination with the City's General Services Department. The location of projects are based on timing with other planned projects in order to leverage non-CDBG funds.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	0
CDBG Target Area	0

Table 7 - Geographic Distribution**Rationale for the priorities for allocating investments geographically**

All public service activities are offered to residents citywide.

The 2024 Residential Street Resurfacing Project is selected in coordination with the City's General Services Department. If approved, the City will allocate funding to the 2024 Residential Street Resurfacing Project. CDBG funds will support construction and reconstruction of ADA compliant facilities, such as curb access ramps, to provide accessible means of transportation for our visually impaired population as well as those reliant upon wheel chairs and mobility scooters. Locations selected for use of CDBG funds will be identified in concert with the planned future resurfacing project.

Discussion

No geographic priorities were proposed.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City participated in conducting the Sacramento Valley Analysis of Impediments to Fair Housing Choice (AI) which identified barriers to affordable housing:

- Segregation and integration: Segregation and lack of access to economic opportunity persists in many areas of the region, both within and across jurisdictions. Although the region has grown more diverse, the effects of past systemic segregation and exclusion in housing still disproportionately impact members of protected classes.
- Disproportionate housing needs: In the Sacramento Valley region, the most disproportionate housing needs are found in homeownership rates, cost-burden and housing challenges, as well as displacement experience.
- Access to opportunity: Access to economic opportunity varies by type of opportunity, across the region and within communities. Areas where jurisdictions differed from the region in access to opportunity include:
 - With the exceptions of a few school districts (e.g., Davis, Rocklin, Roseville)—there are disparities in school quality between low and higher income neighborhoods, and these quality differences disproportionately impact people of color. Residents of Citrus Heights, Rancho Cordova, Sacramento, and Woodland are least likely to live in neighborhoods with proficient schools.
 - Resident survey respondents living in Sacramento and Sacramento County tend to give the lowest ratings of healthy neighborhood indicators among the participating jurisdictions.
 - Public transportation issues—especially bus routes, availability of bus service, and connections between communities—are a pressing concern to residents throughout the region. The exception is on “the grid” in downtown Sacramento, where public transit is considered the best available in the region.

The primary housing barriers and the factors that contribute to those barriers identified in the research conducted for the AI include:

- The harm caused by segregation is manifest in disproportionate housing needs and differences in economic opportunity.
- Affordable rental options in the region are increasingly limited.
- Residents with disabilities need for and lack access to affordable, accessible housing.
- Stricter rental policies further limits options.

- Disparities in the ability to access homeownership exist.
- Public transportation has not kept up with growth.
- Educational inequities persist in the region.
- Disparities in labor market engagement exist.
- Residents with disabilities lack access to supportive services and a spectrum of housing options to enable them, especially those with mental illness, achieve and maintain housing stability.

The AI includes the following solutions to address the contributing factors discussed above. The participating partners focused on strategies that:

- Increase homeownership rates among under-represented groups.
- Expand affordable rental opportunities.
- Focus on a range of equity issues in accessing opportunity.

The City has identified barriers to affordable housing throughout the City's Housing Element. Notable barriers to developing affordable housing include:

- The balance between owner-occupied and renter-occupied housing and the preservation and maintenance of the City's aging housing stock.
- As suburbs mature with an aging housing stock, both single-family homes and apartment complexes in Citrus Heights face an increasing need to maintain.
- Land availability and land zoned at densities appropriate for multi-family housing.
- Environmental factors such as floodplains and native oak trees.
- Availability of funding.
- Design guidelines, which control the appearance of new development. Due to the requirements, the cost of building new housing may increase.
- Site improvements, development impact fees, and processing fees add significant cost to the developing new housing. Developers often pay for new roadways, sewer, water, and park facilities, along with other miscellaneous fees. There are also costs associated with getting

projects approved by the City and other agencies.

- Permit and approval process. In addition, the cost of fees on new projects, the amount of time required to process them varies by project, and the developer generally must pay holding costs, such as property taxes during the time of assessment.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City will continue to promote infill, reduce regulatory and economic barriers to infill, and support new transportation options.

Discussion

Staff will continue to seek grant funding and ways to maintain and develop affordable housing. More information is available in the City's Housing Element which was updated in 2021 and incorporated into the City General Plan adopted on August 11, 2011 which is available online at [Housing Element | Citrus Heights, CA - Official Website \(civicplus.com\)](https://www.civicplus.com/cityofcitrusheights/housing-element).

AP-85 Other Actions - 91.420, 91.220(k)**Introduction**

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is the lack of funding to fully address all needs. Economic challenges in recent years forced many nonprofits to cut services.

Actions planned to address obstacles to meeting underserved needs

The economic challenges in recent years have forced many nonprofits to cut services at a time when government and other entities are least able to provide them. There is no federal requirement for the City to match CDBG funds; however, the City has maintained a commitment to provide local funding to nonprofits despite other budget cuts when possible.

Another obstacle to meeting underserved needs is that many more services are located outside Citrus Heights in the City of Sacramento or parts of Sacramento County closer to the urban core. Citrus Heights works closely with the regional transit agencies to improve access. There are several daily public transportation linkages between Citrus Heights and downtown Sacramento.

Another obstacle is the City's lack of vacant land available for development. The City will focus heavily on the preservation of the existing housing stock through the Home Repair Program.

Actions planned to foster and maintain affordable housing

In 2024, the City will continue to offer a variety of programs to foster and maintain affordable housing such as:

The Home Repair Program will offer low-interest loans/grants to homeowners making health and safety repairs to their homes. This program will be funded using loan repayments and prior year funds.

The City's Code Enforcement Division will continue to support the Rental Housing Inspection Program, to assure low-income households have a safe and decent place to live.

The City approved an affordable permanent supportive housing project, Sunrise Pointe Apartments. The City approved the project in 2018 and allocated \$3,580,000 of the City's share of HOME Consortium funds to the 47-unit project planned for Sunrise Boulevard in Citrus Heights. This project was completed mid-August 2023.

Actions planned to reduce lead-based paint hazards

While most housing units were built prior to 1978, target income households that may contain lead-

based paint occupy an estimated 5,312 units. The City will provide lead-abatement assistance for residential units through the Home Repair Program. The City contracts with a third-party firm to administer its Home Repair Program.

The City will contract with a qualified party to evaluate lead-based paint hazards and implement lead-safe work practices. In addition, independent contractors are vetted through the City's Home Repair Program to develop the appropriate lead hazard reduction plans and or abatement scopes of work. The programs will comply with the Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) and subsequent changes in September 1999. The procedures regarding lead-based paint in all repair programs will include notification and identification.

In addition, the City staff will seek grant funding opportunities for free home inspections to protect the health and safety eligible households.

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on providing a range of supportive services aimed at enabling those in poverty to move into the workforce or obtain benefits to which they are entitled (social security, disability). During the 2024 program year, Community Health Works will provide outreach services to the unhoused community in Citrus Heights.

The City will also continue to support activities that preserve and expand the supply of housing affordable to low-income households.

Actions planned to develop institutional structure

The City's Housing and Grants Division is responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the Annual Action Plan. The Housing Division works in close consultation with the Community Development Director, Finance Department, General Services Department, Citrus Heights Collaborative, and advisory committees.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to work with the neighboring jurisdictions, such as the County and the City of Sacramento and Sacramento Housing Redevelopment Agency, to address the regional issues that affect the needs of low-income persons as well as special needs populations. The City will also continue to work with many of the local nonprofits that provide a range of services to low-income Citrus Heights residents. In addition, the City plans to work with other entitlement jurisdictions in the Sacramento County, City of Elk Grove, and City of Rancho Cordova to research issues of interest to all jurisdictions

and to coordinate on shared subrecipient monitoring.

Discussion

The City has a number of actions planned to increase coordination among housing and social services agencies. For example, City staff facilitates the Citrus Heights Collaborative - an informal network of public and private social service agencies and community advocates. The Citrus Heights Collaborative meets the second Friday of each month. In addition, City staff participates on the Continuum of Care Advisory Board, regional Funder's Collaborative, and Sacramento Homeless Policy Council.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

The City determines its low-income benefit annually.

RESOLUTION NO. 2023-___

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, APPROVING THE COMMUNITY DEVELOPMENT BLOCK GRANT 2024
ACTION PLAN AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO
EXECUTE AND FILE ALL DOCUMENTS REQUIRED TO RECEIVE U.S. DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK
GRANT FUNDING**

WHEREAS, the Community Development Block Grant Program (CDBG), authorized pursuant to Title 1 of the Housing and Community Development Act of 1974, as amended (Act), requires that jurisdictions provide for the issuance of grants in order to attain the objective of providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income;

WHEREAS, the City Council has reviewed the 2024 Action Plan, which describes the specific programs to be funded for the 2024 program year; and

WHEREAS, the City Council's Quality of Life Committee met on September 5, 2023, to review the funding recommendations and developed draft 2024 CDBG funding recommendations; and

WHEREAS, the City Council held a public hearing on October 12, 2023, to provide an opportunity for the public to comment on Citrus Height's need in relation to low-income and special needs populations and on proposed activities for funding during program year 2024; and

WHEREAS, the City Council held a second public hearing on October 26, 2023, to receive comments from the public regarding the Action Plan and use of CDBG funds; and

WHEREAS, Citrus Heights citizens were afforded the opportunity to review and comment on the proposed 2024 Action Plan in accordance with the City's Citizen Participation Plan, including a 30-day public review and comment period September 27, 2023 through October 26, 2023.

WHEREAS, the City of Citrus Heights receives an annual allocation of approximately \$600,000 in CDBG funds from the U.S. Department of Housing and Urban Development (HUD); which amount will be revised to accommodate the amount actually awarded by HUD, for the program year; and

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE
CITY OF CITRUS HEIGHTS HEREBY:**

1. Approves the 2024 Action Plan and authorizes the City Manager or designee to apply for 2024 funds and execute and file all documents required to receive U.S. Department of Housing and Urban Development Community Development Block Grant funding.
2. Authorizes the City Manager or designee to correct any errors found in the 2024 Action Plan, make adjustments to the individual allocations not to exceed 25% upon final Congressional appropriation and to make changes that may be requested by HUD and/or City Council as permitted by program regulations.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2023, by the following vote, to wit:

AYES: Council Members:
NOES: Council Members:
ABSTAIN: Council Members:
ABSENT: Council Members:

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk

Exhibit

A. Final 2024 Action Plan



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members

FROM: Ashley J. Feeney, City Manager
Ryan Jones, City Attorney

SUBJECT: Council Consideration on Resolution to Support The Taxpayer Protection and Government Accountability Act of 2024

Summary and Recommendation

The Taxpayer Protection and Government Accountability Act (the “TPGAA”) is an initiative Constitutional amendment that has qualified for the November 2024 Presidential Election ballot. Under existing law, the TPGAA will become part of the California Constitution if a majority of the votes cast on the measure at the election are “yes votes.” The authors of TPGAA propound that the initiative was written to provide a series of voter-approved ballot measures that gave taxpayers more say over when and how new tax revenue is raised.

Currently, imposition of new state taxes requires a two-third vote in each legislative chamber or a simply majority vote of electors and new or increased local taxes require approval of the local governing board as well as voter approval. The TPGAA proposes an amendment to the state constitution to define all state and local levies, charges, and fees as taxes and to require new state taxes proposed by the state legislature to be enacted via a two-thirds legislative vote and voter approval and new local taxes to be enacted via a two-thirds vote of the electorate. Other taxing procedures, such as the voting requirements for a City Council initiated general tax remains the same. Such an action would still require a two-thirds vote of the Council, and simple majority vote of the voters.

Proponents state the TPGAA will include the following key provisions:

- Require all new taxes passed by the Legislature to be approved by voters;
- Restore two-thirds voter approval for all new local special tax increases;
- Clearly define what is a tax or fee;
- Require accurate descriptions of new tax proposals; and
- Hold legislative bodies accountable by requiring them to clearly identify how revenue will be spent before any tax or fee is enacted

Subject: Taxpayer Protection and Government Accountability Act

Date: October 26, 2023

Page 2 of 2

Opponents, such as the League of California Cities, state the initiative would negatively impact the rights of local voters and their elected officials to make decisions on local services.

Council has broad discretion on whether to support this initiative by adopting the attached draft Resolution. The Council is free to adjust the proposed language in the Resolution or stay neutral on the matter. At the October 12, 2023 City Council meeting, during the Items Requested by Council Members portion of the meeting, two members of the Council requested a resolution of support for the TPGAA be brought back for Council consideration.

Fiscal Impact

The TPGAA no direct fiscal impact associated with this ballot initiative. However, if adopted, it would alter the way some taxes are adopted and the definition of fees versus taxes.

Attachments

1. Draft Resolution of Support
2. Ballot Initiative

RESOLUTION NO. 2023-___**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, SUPPORTING THE TAXPAYER PROTECTION AND GOVERNMENT
ACCOUNTABILITY ACT**

WHEREAS, California has the highest income, state sales, and gasoline taxes in the country and inflation and global uncertainty are threatening to drive costs even higher; and

WHEREAS, increases in taxes and fees are only fueling the state's already sky-high cost of living punishing hard-working families who are now struggling to put food on their table or gas in their cars; and

WHEREAS, in 2023 alone, politicians, bureaucrats, and special interests considered nearly \$204 billion in higher state taxes, continuing to make it harder for Californians to make ends meet; and

WHEREAS, because Californians can't afford to pay any more in higher taxes, it's time voters were given the right to vote on all new taxes and protect themselves from an even higher cost of living; and

WHEREAS, the Taxpayer Protection and Government Accountability Act is a simple measure qualified for the November 2024 statewide ballot that gives voters the right to vote on new and higher taxes and ensures that tax dollars are spent on the intended use; and

WHEREAS, the measure maintains current revenue and spending and does not affect tax measures in effect prior to January 1, 2022; and

WHEREAS, the measure closes loopholes by clearly defining what is a tax or fee to address recent court decisions that overturned decades of established taxpayer protections and restore the will of the voters; and

WHEREAS, the measure restores the will of the voters when they passed Prop 13 in 1978, Prop 218 in 1996 and Prop 26 in 2010 by reinstating two-thirds voter approval for all new local special tax increases; and

WHEREAS, the measure gives voters the final decision on all new and higher taxes by requiring all new taxes passed by the Legislature to be approved by voters and prevents bureaucrats from imposing new or higher fees without majority approval from elected officials; and

WHEREAS, the measure provides critical accountability protections for Californians by requiring all new local taxes to designate a use, rate, and duration to be listed on the ballot and by restricting fees for government services to their reasonable and actual costs; and

WHEREAS, the urgency to help families across California who are struggling to make ends meet under a skyrocketing cost of living means we must act now.

NOW THEREFORE BE IT RESOLVED AND ORDERED Citrus Heights supports the Taxpayer Protection and Government Accountability Act, Initiative 21-0042A1, a proposed statewide ballot measure that gives hard-working Californians the right to vote on whether or not to raise taxes while maintaining current revenue and spending.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights the 26th day of October 2023, by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk

The Taxpayer Protection and Government Accountability Act

[Deleted codified text is denoted in ~~strikeout~~. Added codified text is denoted by *italics and underline*.]

Section 1. Title

This Act shall be known, and may be cited as, the Taxpayer Protection and Government Accountability Act.

Section 2. Findings and Declarations

(a) Californians are overtaxed. We pay the nation's highest state income tax, sales tax, and gasoline tax. According to the U.S. Census Bureau, California's combined state and local tax burden is the highest in the nation. Despite this, and despite two consecutive years of obscene revenue surpluses, state politicians in 2021 alone introduced legislation to raise more than \$234 *billion* in new and higher taxes and fees.

(b) Taxes are only part of the reason for California's rising cost-of-living crisis. Californians pay billions more in hidden "fees" passed through to consumers in the price they pay for products, services, food, fuel, utilities and housing. Since 2010, government revenue from state and local "fees" has more than doubled.

(c) California's high cost of living not only contributes to the state's skyrocketing rates of poverty and homelessness, they are the pushing working families and job-providing businesses out of the state. The most recent Census showed that California's population dropped for the first time in history, costing us a seat in Congress. In the past four years, nearly 300 major corporations relocated to other states, not counting thousands more small businesses that were forced to move, sell or close.

(d) California voters have tried repeatedly, at great expense, to assert control over whether and how taxes and fees are raised. We have enacted a series of measures to make taxes more predictable, to limit what passes as a "fee," to require voter approval, and to guarantee transparency and accountability. These measures include Proposition 13 (1978), Proposition 62 (1986), Proposition 218 (1996), and Proposition 26 (2010).

(e) Contrary to the voters' intent, these measures that were designed to control taxes, spending and accountability, have been weakened and hamstrung by the Legislature, government lawyers, and the courts, making it necessary to pass yet another initiative to close loopholes and reverse hostile court decisions.

Section 3. Statement of Purpose

(a) In enacting this measure, the voters reassert their right to a voice and a vote on new and higher taxes by requiring any new or higher tax to be put before voters for approval. Voters also intend that all fees and other charges are passed or rejected by the voters themselves or a governing body elected by voters and not unelected and unaccountable bureaucrats.

(b) Furthermore, the purpose and intent of the voters in enacting this measure is to increase transparency and accountability over higher taxes and charges by requiring any tax measure placed on the ballot—

either at the state or local level—to clearly state the type and rate of any tax, how long it will be in effect, and the use of the revenue generated by the tax.

(c) Furthermore, the purpose and intent of the voters in enacting this measure is to clarify that any new or increased form of state government revenue, by any name or manner of extraction paid directly or indirectly by Californians, shall be authorized only by a vote of the Legislature and signature of the Governor to ensure that the purposes for such charges are broadly supported and transparently debated.

(d) Furthermore, the purpose and intent of the voters in enacting this measure is also to ensure that taxpayers have the right and ability to effectively balance new or increased taxes and other charges with the rapidly increasing costs Californians are already paying for housing, food, childcare, gasoline, energy, healthcare, education, and other basic costs of living, and to further protect the existing constitutional limit on property taxes and ensure that the revenue from such taxes remains local, without changing or superseding existing constitutional provisions contained in Section 1(c) of Article XIII A.

(e) In enacting this measure, the voters also additionally intend to reverse loopholes in the legislative two-thirds vote and voter approval requirements for government revenue increases created by the courts including, but not limited to, *Cannabis Coalition v. City of Upland*, *Chamber of Commerce v. Air Resources Board*, *Schmeer v. Los Angeles County*, *Johnson v. County of Mendocino*, *Citizens Assn. of Sunset Beach v. Orange County Local Agency Formation Commission*, and *Wilde v. City of Dunsmuir*.

Section 4. Section 3 of Article XIII A of the California Constitution is amended to read:

Sec. 3(a) Every levy, charge, or exaction of any kind imposed by state law is either a tax or an exempt charge.

(b)(1) (a) Any change in state statute law which results in any taxpayer paying a new or higher tax must be imposed by an act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, and submitted to the electorate and approved by a majority vote, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property, may be imposed. Each Act shall include:

(A) A specific duration of time that the tax will be imposed and an estimate of the annual amount expected to be derived from the tax.

(B) A specific and legally binding and enforceable limitation on how the revenue from the tax can be spent. If the revenue from the tax can be spent for unrestricted general revenue purposes, then a statement that the tax revenue can be spent for "unrestricted general revenue purposes" shall be included in a separate, stand-alone section. Any proposed change to the use of the revenue from the tax shall be adopted by a separate act that is passed by not less than two-thirds of all members elected to each of the two houses of the Legislature and submitted to the electorate and approved by a majority vote.

(2) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, including a measure proposed by an elector pursuant to Article II, include:

(A) The type and amount or rate of the tax;

(B) The duration of the tax; and

(C) The use of the revenue derived from the tax.

(c) Any change in state law which results in any taxpayer paying a new or higher exempt charge must be imposed by an act passed by each of the two houses of the Legislature. Each act shall specify the type of exempt charge as provided in subdivision (e), and the amount or rate of the exempt charge to be imposed.

(d) ~~(b)~~ As used in this section and in Section 9 of Article II, "tax" means every ~~any~~ levy, charge, or exaction of any kind imposed by the State ~~state law that is not an exempt charge~~, except the following:

(e) As used in this section, "exempt charge" means only the following:

~~(1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the State of conferring the benefit or granting the privilege to the payor.~~

~~(1) (2) A reasonable charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the State of providing the service or product to the payor.~~

~~(2) (3) A charge imposed for the reasonable regulatory costs to the State incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.~~

~~(3) A levy, charge, or exaction collected from local units of government, health care providers or health care service plans that is primarily used by the State of California for the purposes of increasing reimbursement rates or payments under the Medi-Cal program, and the revenues of which are primarily used to finance the non-federal portion of Medi-Cal medical assistance expenditures.~~

~~(4) A reasonable charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by Section 15 of Article XI.~~

~~(5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or the State, as a result of a state administrative enforcement agency pursuant to adjudicatory due process, to punish a violation of law.~~

~~(6) A levy, charge, assessment, or exaction collected for the promotion of California tourism pursuant to Chapter 1 (commencing with Section 13995) of Part 4.7 of Division 3 of Title 2 of the Government Code.~~

~~(f) (e) Any tax or exempt charge adopted after January 1, 2022 2010, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted by the Legislature and signed into law by the Governor in compliance with the requirements of this section.~~

~~(g) (1) (d) The State bears the burden of proving by a preponderance of the clear and convincing evidence that a levy, charge, or other exaction is an exempt charge and not a tax. The State bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor, that the amount is no more than necessary to cover the reasonable costs of the governmental activity and~~

that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by state law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind as being voluntary, or paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be a factor in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(h) As used in this section:

(1) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(2) "Extend" includes, but is not limited to, doing any of the following with respect to a tax or exempt charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

(3) "Impose" means adopt, enact, reenact, create, establish, collect, increase or extend.

(4) "State law" includes, but is not limited to, any state statute, state regulation, state executive order, state resolution, state ruling, state opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by the legislative or executive branches of state government. "State law" does not include actions taken by the Regents of the University of California, Trustees of the California State University, or the Board of Governors of the California Community Colleges.

Section 5. Section 1 of Article XIII C of the California Constitution is amended, to read:

Sec. 1. Definitions. As used in this article:

(a) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(b) "Extend" includes, but is not limited to, doing any of the following with respect to a tax, exempt charge, or Article XIII D assessment, fee, or charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

(c) (a) "General tax" means any tax imposed for general governmental purposes.

(d) "Impose" means adopt, enact, reenact, create, establish, collect, increase, or extend.

(e) (b) "Local government" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity, or an elector pursuant to Article II or the initiative power provided by a charter or statute.

(f) "Local law" includes, but is not limited to, any ordinance, resolution, regulation, ruling, opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by a local government.

(g) (c) "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

(h) (d) "Special tax" means any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund.

(i) (e) As used in this article, and in Section 9 of Article II, "tax" means every ~~any~~ levy, charge, or exaction of any kind, imposed by a local government law that is not an exempt charge, ~~except the following:~~

(i) As used in this section, "exempt charge" means only the following:

(1) ~~A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.~~

(1) (2) A reasonable charge imposed for a specific local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the local government of providing the service or product.

(2) (3) A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

(3) (4) A reasonable charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.

(4) (5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or a local government administrative enforcement agency pursuant to adjudicatory due process, as a result of to punish a violation of law.

(5) (6) A charge imposed as a condition of property development. No levy, charge, or exaction regulating or related to vehicle miles traveled may be imposed as a condition of property development or occupancy.

(6) (7) An Assessments and property related fees assessment, fee, or charge imposed in accordance with the provisions of subject to Article XIII D, or an assessment imposed upon a business in a tourism marketing district, a parking and business improvement area, or a property and business improvement district.

(7) A charge imposed for a specific health care service provided directly to the payor and that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the health care service. As used in this paragraph, a "health care service" means a service licensed or exempt from licensure by the state pursuant to Chapters 1, 1.3, or 2 of Division 2 of the Health and Safety Code.

The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Section 6. Section 2 of Article XIII C of the California Constitution is amended to read:

Sec. 2. Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

(a) Every levy, charge, or exaction of any kind imposed by local law is either a tax or an exempt charge. All taxes imposed by any local government shall be deemed to be either general taxes or special taxes. Special purpose districts or agencies, including school districts, shall have no power to levy general taxes.

(b) No local ~~law government, whether proposed by the governing body or by an elector,~~ may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

(c) ~~Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).~~ (d) No local ~~law government, whether proposed by the governing body or by an elector,~~ may impose, ~~extend, or increase~~ any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

(d) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, include:

(1) The type and amount or rate of the tax;

(2) the duration of the tax; and

(3) The use of the revenue derived from the tax. If the proposed tax is a general tax, the phrase "for general government use" shall be required, and no advisory measure may appear on the same ballot that would indicate that the revenue from the general tax will, could, or should be used for a specific purpose.

(e) Only the governing body of a local government, other than an elector pursuant to Article II or the initiative power provided by a charter or statute, shall have the authority to impose any exempt charge. The governing body shall impose an exempt charge by an ordinance specifying the type of exempt charge

as provided in Section 1(j) and the amount or rate of the exempt charge to be imposed, and passed by the governing body. This subdivision shall not apply to charges specified in paragraph (7) of subdivision (j) of Section 1.

(f) No amendment to a Charter which provides for the imposition, extension, or increase of a tax or exempt charge shall be submitted to or approved by the electors, nor shall any such amendment to a Charter hereafter submitted to or approved by the electors become effective for any purpose.

(g) Any tax or exempt charge adopted after January 1, 2022, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted in compliance with the requirements of this section.

(h)(1) The local government bears the burden of proving by clear and convincing evidence that a levy, charge or exaction is an exempt charge and not a tax. The local government bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor.

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by a local law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind imposed by a local law as being paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be factors in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

Section 7. Section 3 of Article XIII D of the California Constitution is amended, to read:

Sec. 3. Property Taxes, Assessments, Fees and Charges Limited

(a) No tax, assessment, fee, ~~or~~ charge, or surcharge, including a surcharge based on the value of property, shall be assessed ~~by any agency~~ upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax ~~imposed pursuant to~~ described in Section 1(a) of Article XIII and Section 1(a) of Article XIII A, and described and enacted pursuant to the voter approval requirement in Section 1(b) of Article XIII A.

(2) Any special non-ad valorem tax receiving a two-thirds vote of qualified electors pursuant to Section 4 of Article XIII A, or after receiving a two-thirds vote of those authorized to vote in a community facilities district by the Legislature pursuant to statute as it existed on December 31, 2021.

(3) Assessments as provided by this article.

(4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

Section 8. Sections 1 and 14 of Article XIII are amended to read:

Sec. 1 Unless otherwise provided by this Constitution or the laws of the United States:

(a) All property is taxable and shall be assessed at the same percentage of fair market value. When a value standard other than fair market value is prescribed by this Constitution or by statute authorized by this Constitution, the same percentage shall be applied to determine the assessed value. The value to which the percentage is applied, whether it be the fair market value or not, shall be known for property tax purposes as the full value.

(b) All property so assessed shall be taxed in proportion to its full value.

(c) All proceeds from the taxation of property shall be apportioned according to law to the districts within the counties.

Sec. 14. All property taxed by state or local government shall be assessed in the county, city, and district in which it is situated. Notwithstanding any other provision of law, such state or local property taxes shall be apportioned according to law to the districts within the counties.

Section 9. General Provisions

A. This Act shall be liberally construed in order to effectuate its purposes.

B. (1) In the event that this initiative measure and another initiative measure or measures relating to state or local requirements for the imposition, adoption, creation, or establishment of taxes, charges, and other revenue measures shall appear on the same statewide election ballot, the other initiative measure or measures shall be deemed to be in conflict with this measure. In the event that this initiative measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other initiative measure or measures shall be null and void.

(2) In furtherance of this provision, the voters hereby declare that this measure conflicts with the provisions of the "Housing Affordability and Tax Cut Act of 2022" and "The Tax Cut and Housing Affordability Act," both of which would impose a new state property tax (called a "surcharge") on certain real property, and where the revenue derived from the tax is provided to the State, rather than retained in the county in which the property is situated and for the use of the county and cities and districts within the county, in direct violation of the provisions of this initiative.

(3) If this initiative measure is approved by the voters, but superseded in whole or in part by any other conflicting initiative measure approved by the voters at the same election, and such conflicting initiative is later held invalid, this measure shall be self-executing and given full force and effect.

C. The provisions of this Act are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this Act is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this Act. The People of the State of California hereby declare that they would have adopted this Act and each and every portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not

declared invalid or unconstitutional without regard to whether any portion of this Act or application thereof would be subsequently declared invalid.

D. If this Act is approved by the voters of the State of California and thereafter subjected to a legal challenge alleging a violation of state or federal law, and both the Governor and Attorney General refuse to defend this Act, then the following actions shall be taken:

(1) Notwithstanding anything to the contrary contained in Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code or any other law, the Attorney General shall appoint independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(2) Before appointing or thereafter substituting independent counsel, the Attorney General shall exercise due diligence in determining the qualifications of independent counsel and shall obtain written affirmation from independent counsel that independent counsel will faithfully and vigorously defend this Act. The written affirmation shall be made publicly available upon request.

(3) A continuous appropriation is hereby made from the General Fund to the Controller, without regard to fiscal years, in an amount necessary to cover the costs of retaining independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(4) Nothing in this section shall prohibit the proponents of this Act, or a bona fide taxpayers association, from intervening to defend this Act.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Regina Cave, General Services Director
Alex Turcotte, Police Chief
Susan Talwar, Administrative Services Director

SUBJECT: Annexation Fiscal Impact Study Council Direction

Summary and Recommendation

At the June 15, 2023 Strategic Planning Meeting, the City Council established an objective to Present the Fiscal Impact Study associated with the Annexation Study and Outreach Initiative to the City Council for feedback and direction. This staff report is intended to serve as a discussion item for the City Council's consideration and opportunity for the Council to provide direction.

Staff recommends Council review the staff report, receive a presentation and provide direction to staff.

City Council Strategic Goal/Objective

This staff report aligns with the following Citrus Heights City Council Strategic Plan Objectives:

Goal: Maintain and Enhance Fiscal Stability
Objective: Present the Fiscal Impact Study associated with the Annexation Study and Outreach Initiative to the City Council for feedback and direction

Fiscal Impact

There is no fiscal impact related to this action, however, there may be future fiscal impacts depending on the direction of the City Council.

On April 27, 2023, the City Council authorized a contract with RSG for \$60,000 to evaluate the feasibility of the proposed annexation areas. As of the date of this Staff Report, approximately \$15,000 remains in this contract. The remaining balance of the contract would be allocated for community outreach and engagement if so directed by the Council.

Subject: Annexation Fiscal Impact Study**Date: October 26, 2023****Page 2 of 2**

Depending on the direction provided by Council, future annexations would result in negative fiscal impacts of approximately (\$729,000) annually associated with operational impacts and approximately (\$3,000,000) in annual capital infrastructure maintenance and operation expenses. In addition, the study identifies a one-time capital expense of approximately \$32,000,000 associated with necessary repairs and upgrades to Roseville Road (2023 dollars). All four annexation areas are anticipated to result in negative fiscal impacts.¹

Background and Analysis

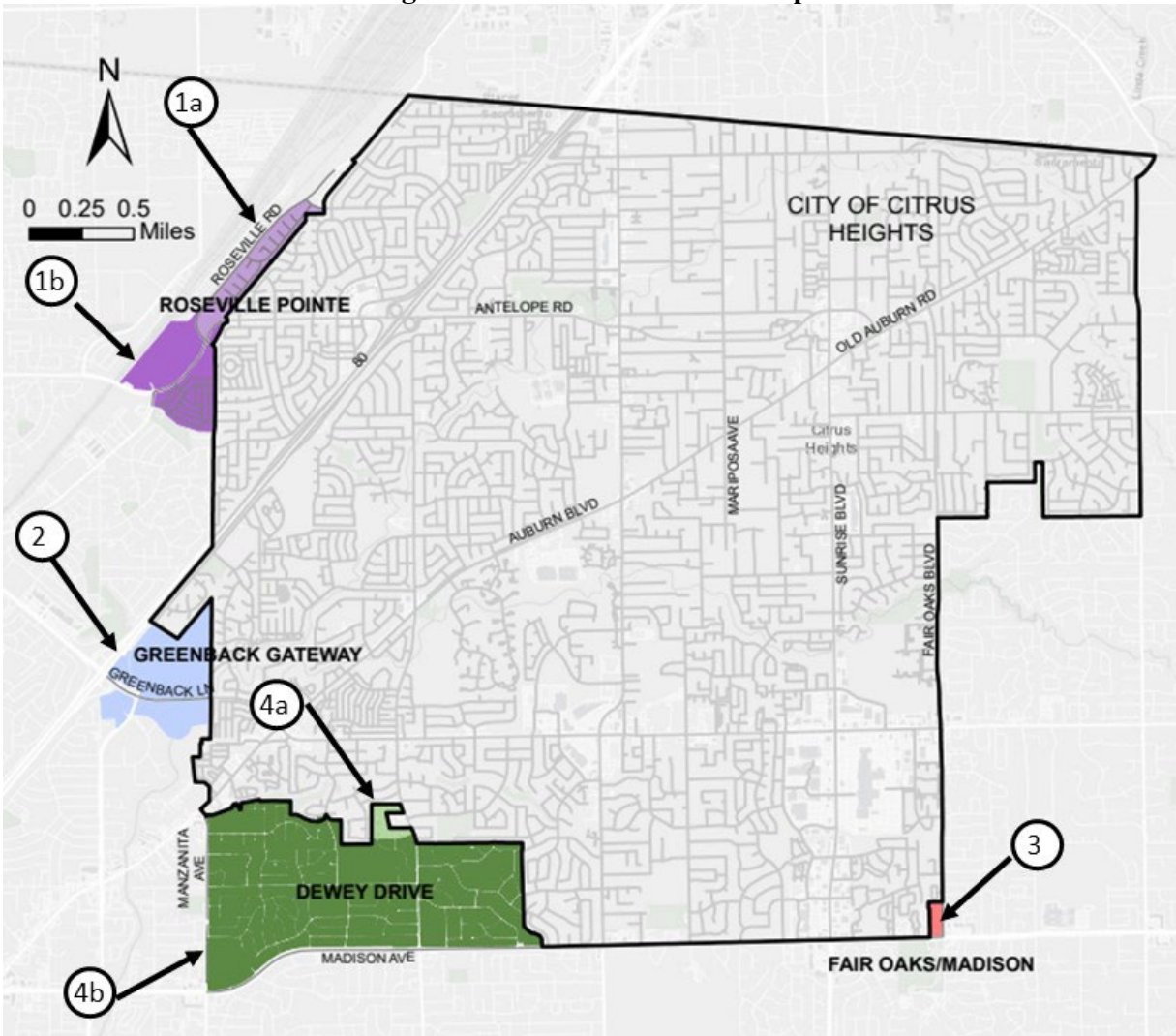
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On April 27, 2023 the City Council awarded a contract with RSG to conduct the Annexation Feasibility Study and Outreach Project to evaluate the feasibility of annexing four areas selected by the City Council. The fiscal impact findings of this evaluation are included as Attachment A. The four potential annexation areas considered are illustrated in Figure 1 below, and include:

1. Roseville Pointe
 - a. All parcels northwest of the City Limits and east of Roseville Road
 - b. All parcels northwest of the City Limits and east of Roseville Road and commercial/mobile home parcels adjacent to Roseville Road/City Limits
2. Greenback Gateway
3. Fair Oaks/Madison Corner
4. Dewey Drive
 - a. All parcels north of Oakbrook Drive
 - b. All parcels north of Madison Avenue, east of Manzanita Avenue

¹ The Fair Oaks/Madison Study Area is anticipated to result in a negative fiscal impact of approximately \$12,000 annually. The City is currently coordinating with Sacramento County to explore repaving of this intersection. If the intersection is paved prior to annexation, this intersection is anticipated to be revenue positive

Figure 1- Annexation Areas Map



Attachment A includes the methodology, inputs, and anticipated fiscal impacts associated with annexation of the four areas under consideration. Figure 2, below (Table 13 in Attachment A) identifies the fiscal impact of each annexation study area. This summary table indicates there is a negative fiscal impact associated with the annexation of all four annexation areas collectively and a negative impact of each individual annexation area independently.

Figure 2 – Net Fiscal Impact Table

	Study Area	Study Area Detail				Alternate Study Areas		
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)	
General Fund Revenues								
Property Tax								
Low Scenario	\$ 197,936	\$ 33,625	\$ 22,227	\$ 139,566	\$ 2,528	\$ 16,160	\$ 3,083	
Middle Scenario	489,406	83,459	55,647	343,670	6,637	40,180	7,673	
High Scenario	975,188	166,795	111,295	683,832	13,275	80,360	15,345	
Sales Tax	1,118,085	339,211	51,473	702,437	24,964	-	-	
Other Revenues	743,036	111,094	63,198	555,292	12,152	24,300	4,800	
Total Revenues								
Low Scenario	\$ 2,059,057	\$ 483,930	\$ 136,898	\$ 1,397,295	\$ 39,644	\$ 40,460	\$ 7,883	
Middle Scenario	2,350,527	533,764	170,319	1,601,399	43,753	64,480	12,473	
High Scenario	2,836,309	617,099	225,966	1,941,560	50,391	104,660	20,145	
General Fund Expenditures								
City Manager's Office	\$ 23,026	\$ 7,610	\$ 2,314	\$ 14,789	\$ -	\$ 2,072	\$ 1,791	
Community & Econ. Develop.	53,468	11,022	6,566	32,831	3,049	-	-	
Administrative Services	277,614	52,887	29,040	199,430	541	22,344	8,938	
Police Department	2,710,185	841,861	318,638	1,543,835	5,851	301,441	295,055	
General Services	15,469	1,891	1,577	11,895	-	926	174	
TOTAL OPERATING EXPENDITURES	3,079,763	915,271	358,136	1,802,782	9,441	326,782	305,958	
Capital Expenditures ¹								
Roseville Road Maintenance	210,685	210,685	-	-	-	210,685	-	
Slurry Sealing	2,415,601	497,929	331,625	1,543,331	42,239	274,197	-	
Street Light Maintenance	173,828	71,804	47,981	53,571	3,151	46,231	-	
Cost Contingency (2%)	118,000	34,000	14,800	68,000	1,100	17,200	6,100	
TOTAL CAPITAL EXPENDITURES	2,918,114	814,418	394,407	1,664,902	46,490	548,312	6,100	
Total Expenditures	\$ 5,997,877	\$ 1,729,689	\$ 752,542	\$ 3,467,684	\$ 55,931	\$ 875,095	\$ 312,058	
Surplus / (Deficit)								
Low Scenario	\$ (3,938,820)	\$ (1,245,759)	\$ (615,644)	\$ (2,070,389)	\$ (16,287)	\$ (834,635)	\$ (304,176)	
Middle Scenario	(3,647,350)	(1,195,925)	(582,223)	(1,866,285)	(12,178)	(810,615)	(299,585)	
High Scenario	(3,161,568)	(1,112,590)	(526,576)	(1,526,123)	(5,541)	(770,435)	(291,913)	

Note: Study Area totals may not sum perfectly due to rounding.

¹ Capital expenditures shown in this table do not include the maintenance and repairs needed to bring Roseville Road (in the Roseville Pointe Study Area) to the City's standard of service. General Services staff estimate that the cost to make infrastructure repairs on Roseville Road could total \$32 million.

Subject: Annexation Fiscal Impact Study

Date: October 26, 2023

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LAFCO Fundamentals

In addition to approval from the City Council, annexations are subject to review and approval by Sacramento Local Agency Formation Commission (LAFCO). A significant portion of LAFCO review includes the fiscal impacts of any given annexation. According to LAFCO's General Standards, they will only approve a proposal if:

“the proposal is revenue neutral at the time the proposal comes before the Commission.” and “where revenue neutrality is not possible because of the requirements of state law or these standards, LAFCO shall impose all feasible conditions available to reduce any revenue imbalance, or it may deny the proposal.”

LAFCO can approve an annexation that has a negative fiscal impact if the City can demonstrate the benefits of annexation override the costs and will not cause an undue burden on the operations of the City. Depending on the Council's direction, there are varying degrees of negative fiscal impacts presented by the various annexation areas. If the Council provided direction to pursue annexation of any given annexation area, the burden of proof to justify the negative impacts to LAFCO would be the City's responsibility.

The City would be required to demonstrate the annexation of these areas would not impact its ability to continue to serve the existing City Limits. LAFCO can approve an annexation with a negative fiscal impact contingent on the voters of the annexation voting on a parcel tax (or similar) intended to reduce and/or eliminate the fiscal impact of a proposed annexation. In the event voters of the impacted annexation area(s) do not support an additional tax, the proposed annexation would be denied.

Based on preliminary analysis, annual tax assessments of impacted taxpayers would be approximately \$1,500 per parcel if all four annexation areas were to move forward. This amount would vary between \$840 (Dewey Drive) to \$23,289 (Greenback Gateway) per parcel (depending on the annexation area(s) that move forward). This would not account for costs to rehab of Roseville Road, which is estimated at \$32,000,000.

Council Direction

Based on the findings found in Attachment A and the material contained in the Staff Report, staff seeks direction from the Council for next steps. Potential options for direction include:

1. Provide Council direction for an area or area(s) of annexation for consideration. If the Council provides direction to continue annexation consideration, suggested next steps would be community outreach and engagement with areas under consideration. Outreach would be intended to measure the likely desire and/or willingness of residents to be annexed into the City and appetite for annexation if a parcel tax is required to offset anticipated fiscal impacts.
2. Provide Council direction to pause any further progress towards annexation at this time.
3. Provide other direction as determined by the Council.

Attachments:

- A. Annexation Feasibility Findings Memo



October 20, 2023

Via Electronic Mail

Casey Kempenaar, Community Development Director
CITY OF CITRUS HEIGHTS
6360 Fountain Square Drive
Citrus Heights, CA 95621

INITIAL ANNEXATION FEASIBILITY FINDINGS MEMO

Dear Mr. Kempenaar,

This letter presents an initial fiscal impact analysis completed by RSG, Inc. ("RSG") of the proposed annexation of four distinct areas bordering the City of Citrus Heights: Roseville Pointe, Greenback Gateway, Dewey Drive, and Fair Oaks/Madison ("Study Areas"). This initial analysis is meant to inform City staff about the potential impacts of annexation for each of the Study Areas, in order for staff to determine which Study Areas should be included in a more holistic annexation study in the future.

EXECUTIVE SUMMARY

The proposed Study Areas are made up of four distinct areas bordering the City's boundaries, as shown in the Annexation Study Area map. Upon annexation, the City would be responsible for the provision of most municipal services, with the exception of fire and emergency medical services, which are provided to both the City and the Study Areas by the Sacramento Metropolitan Fire District.

RSG projects that annexation of all Study Areas would have relatively modest negative net new impacts on the General Fund. The projected expenditures exceed the projected revenues for the entire Dewey Drive Area, which has more commercial and office land uses that generate sales tax revenue. Greenback Gateway, Roseville Pointe, and Fair Oaks/Madison would all likely have a negative fiscal impact on the General Fund.

In addition to the impacts on the General Fund, there are significant capital costs associated with road improvements and maintenance needed in the Study Areas, specifically with Roseville Road. One-time capital costs to improve Roseville Road (including but not limited to resurfacing, redesign to include bike and pedestrian facilities, and environmental review) could total approximately \$32 million.

CITY OF CITRUS HEIGHTS

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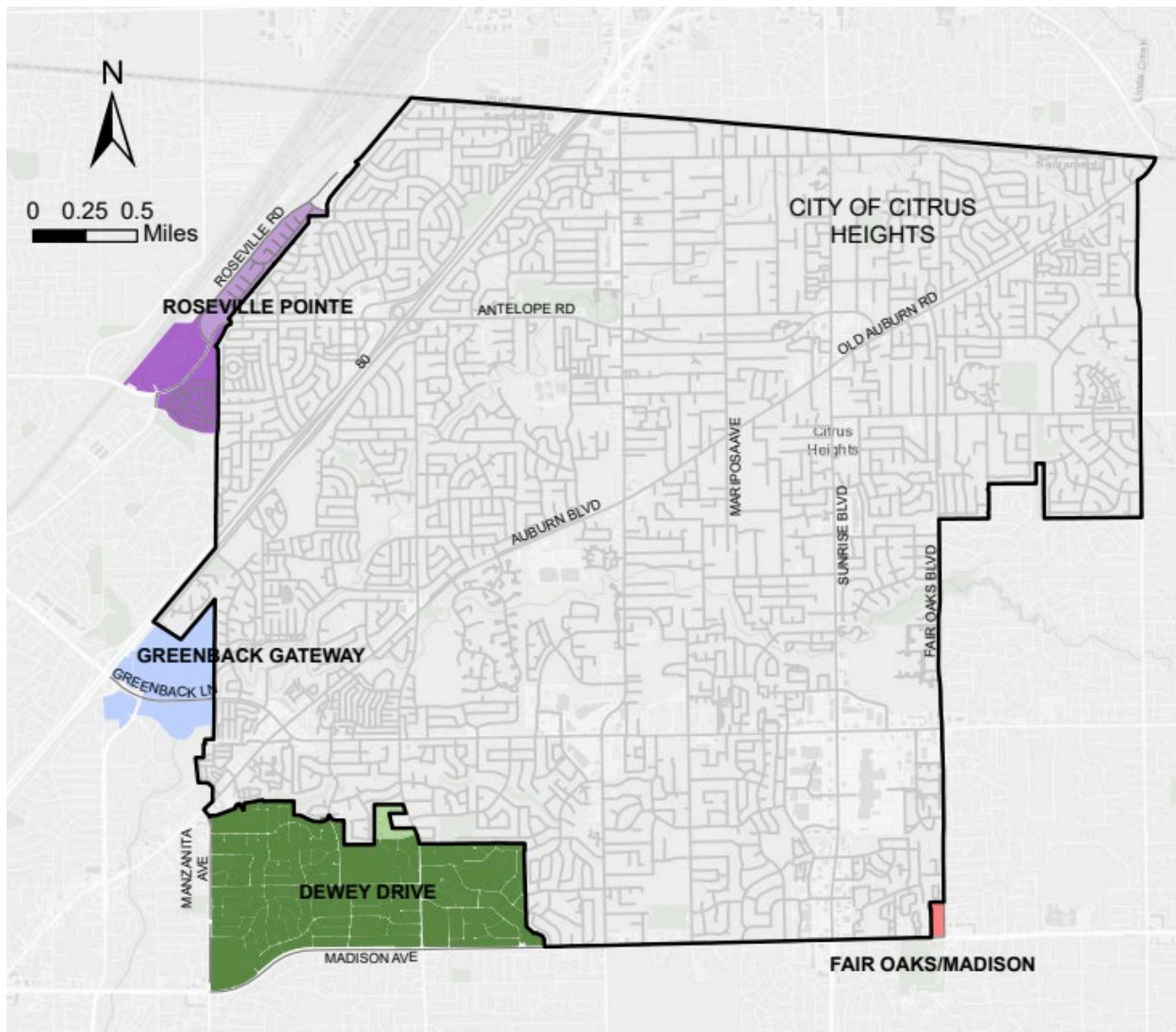
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BACKGROUND

On May 10, 2022 during the Strategic Planning Meeting, City Council set an objective for City staff to explore opportunities for the City of Citrus Heights annexation of four Study Areas. The Study Areas were refined by RSG based on the present land use in each of the Study Areas and discussions with City staff. The Study Areas are entirely outside the City's Sphere of Influence, which is presently coterminous with the City's boundary.

If annexed to the City, the Study Areas would increase the size of the City's 14.2 square mile corporate boundary by approximately 1.3 square miles.

Annexation Study Area: 2023 Update



There are four main Study Areas: Roseville Pointe, Greenback Gateway, Dewey Drive, and Fair Oaks/Madison. The Roseville Pointe study area includes the residential portion of the

CITY OF CITRUS HEIGHTS

October 20, 2023

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neighborhood which extends from Outlook Drive to the intersection of Antelope Road and Roseville Road, along with the commercial and industrial areas bordered by Antelope Road and the railway tracks, and the Meadowbrook Mobile Home Park.

Greenback Gateway is made up of commercial parcels, an apartment complex, a mobile home park, and a cemetery. Greenback Gateway consists of the parcels on either side of Greenback Lane between Manzanita Avenue and Interstate Highway 80.

The Dewey Drive study area is bounded by the City boundaries to the north and extends to Madison Avenue on the south, Manzanita Avenue on the west, and the City boundaries on the east.

Fair Oaks/Madison is made up of several commercial parcels and one multi-family residential parcel at the intersection of Madison Avenue and Fair Oaks Boulevard.

There are two alternative sub-areas for Roseville Pointe and Dewey Drive which were included as a part of RSG's analysis. Roseville Pointe (Residential) only includes the residential portion of Roseville Pointe. Dewey Drive (Oakbrook) is bounded by Oakbrook Drive to the south and Dewey Drive to the east and is composed of residential parcels. Throughout the Study, these alternative areas are not included in Study Area totals, but are available in the tables for reference.

Land Use

Table 1 includes current demographic information and assessed value for the City, the combined Study Area, and each separate Study Area sub-area. RSG estimated the populations utilizing data and reports from ESRI Business Analyst and Sacramento County's assessment roll from fiscal year 2021 to 2022.

Table 1: Demographic Information

	City	Total Study Area	Study Area Detail			
			Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison
	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25
Area (Sq. Mi.)	14.22	1.31	0.21	0.19	0.90	0.01
Current Population	86,433	7,748	947	790	5,958	53
Number of Households	33,333	3,132	339	463	2,307	23
Persons Per Sq. Mi.	6,078	5,915	4,510	4,158	6,620	5,300
Daytime Population	68,945	10,806	1,688	851	8,070	197
Total Businesses	2,329	228	47	28	140	13
Employees	43,176	3,927	423	473	3,002	29
Total Assessed Value	\$ 8,881,579,813	\$ 920,608,659	\$ 158,143,552	\$ 105,545,392	\$ 644,185,568	\$ 12,734,147

Sources: Esri, Sacramento County Assessment Roll 2022-23

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Based on the FY 22-23 Sacramento County assessment roll, most of the parcels in the Study Areas are residential, with the next largest land use categories being office and commercial.

Table 2 presents a breakdown of land use by parcel count for the Study Area as a whole and by each individual Study Area. Note that the Study Area total for this table and throughout the report is the sum of Roseville Pointe, Greenback Gateway, Dewey Drive, and Fair Oaks/Madison. The alternative Study Areas of Roseville Pointe (Residential) and Dewey Drive (Oakbrook) are not included in the totals.

Table 2: Study Area Parcel Breakdown

Land Use	Study Area	Study Area Breakdown				Alternative Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Residential	2,385	242	4	2,138	1	241	32
Single Family	2,231	241	2	1,988	0	241	32
Multifamily	133	0	1	131	1	0	0
Mobile Home Park	2	1	1	0	0	0	0
Other	19	0	0	19	0	0	0
Office	42	0	7	34	1	0	0
Miscellaneous	29	9	3	17	0	2	0
Commercial	28	8	2	16	2	0	0
Retail	17	7	2	7	1	0	0
Automotive	7	1	0	6	0	0	0
Restaurants	4	0	0	3	1	0	0
Vacant	22	9	3	9	1	3	0
Care/Health	5	0	2	3	0	0	1
Public	4	0	2	2	0	0	0
Churches/Welfare	2	0	0	2	0	0	0
Industrial	2	1	1	0	0	0	0
Recreational	1	0	1	0	0	0	0
Total	2,520	269	25	2,221	5	246	33

Source: Sacramento County Assessment Roll, 2022-23

SPECIAL DISTRICTS

The current and planned service providers affected by the annexation application are listed in Table 3. Annexation would transfer some municipal services from the County to the City for the Study Areas, but other services, such as fire protection and services provided by special districts, would remain with the current service providers.

The Sacramento Metropolitan Fire District provides fire protection and emergency medical services to most unincorporated areas and cities of Sacramento County. The Sacramento Metropolitan Fire District is the current service provider to all four Study Areas and to the City. There would be no change of fire protection and emergency medical service providers should the Study Area be annexed into the City.

The Fair Oaks Recreation and Park District and the Sunrise Recreation and Park District are the current parks and recreation service providers to the Study Areas. The Fair Oaks/Madison Avenue study area is within the Fair Oaks Recreation and Park District. The other three Study Areas are in the Sunrise District. There would be no impact to parks and recreation services under annexation and all of the Study Areas would continue to be serviced by their current parks and recreation district after annexation.

CITY OF CITRUS HEIGHTS

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Water services are provided to the City and the Study Areas by a variety of different providers, including special districts and private water companies. The San Juan Water Community Services District is the current wholesale water provider to the Citrus Heights Water District, which serves most of the City and the Fair Oaks/Madison Study Area. The Sacramento Suburban Water District provides water services to the Greenback Gateway Study Area and to a portion of the Dewey Drive Study Area. There would be no change of water service providers to the Study Area after annexation.

The Sacramento Area Sewer District (SASD) is the current wastewater service provider to the Study Area and for the City. The SASD provides wastewater services and collection from homes and businesses. The SASD would continue be the sewer service provider to the Study Areas after annexation.

Table 3: Service Providers

Service	Current Provider to Study Areas	Planned Provider	Annexation Effect
Animal Control	County	City of Citrus Heights Police Department	Annexation
Code Enforcement	County	City of Citrus Heights Police Department	Annexation
Cemetery	Sylvan Cemetery District Fair Oaks Cemetery District	Sylvan Cemetery District Fair Oaks Cemetery District	None
CSDs	San Juan Community Services District	San Juan Community Services District	None
Parks & Recreation	Fair Oaks Recreation and Park District Sunrise Recreation and Park District	Fair Oaks Recreation and Park District Sunrise Recreation and Park District	None
Library	Sacramento Public Library	Sacramento Public Library	None
Street and Road Maintenance	County	City of Citrus Heights General Services Department	Annexation
Law Enforcement	County Sheriff's Office	City of Citrus Heights Police Department	Annexation
Fire & Emergency Medical	Sacramento Metropolitan Fire District	Sacramento Metropolitan Fire District	None
Water	Citrus Heights Water District Sacramento Suburban Water District	Citrus Heights Water District Sacramento Suburban Water District	None
Wastewater	Sacramento County Sewer District	Sacramento County Sewer District	None
Solid Waste	County	Republic Services	Annexation
Gas and Electric	Sacramento Municipal Utility District	Sacramento Municipal Utility District	None
Street Lighting	Sacramento County Department of Transportation CSA 1	City of Citrus Heights General Services Department	Detachment

METHODOLOGY

RSG used a variety of methods to project both revenues and expenditures, based on our experience with other jurisdictions and conversations with City staff. We identified the variability of each budget category (e.g. how much of a line item is dependent on the population served). Some divisions, such as City Council, have budgets that are largely independent of the size of the population. Others, like the Police Department, are highly dependent on the size of the population.

We also identified the budget categories that are most applicable to permanent residents of Citrus Heights versus categories that are most applicable to the daytime population. When we refer to costs or revenues projected on a per capita basis, those are categories that are projected based on the current cost or revenue associated with providing services to permanent residents of the City. When we refer to costs or revenues projected on a per daytime resident basis, those are categories that are projected based on the current cost or revenue of providing services per daytime resident of the City.

RSG did not speculate on the limited amount of new development potential in the area. Among the 22 undeveloped (vacant) parcels within the Study Area are two relatively larger commercially zoned parcels in Roseville Pointe located at the intersection of Roseville Road and Antelope Road. One is owned by a self-storage company and the other by a petroleum company. The 2007 annexation study assumed that both parcels would be developed and would generate sales tax revenue. However, because RSG was not able to identify plans for development of either of these parcels, we did not include additional tax revenues or fiscal impacts in this memo as a result of their development.

Should these parcels be developed, the conclusions of this Study may change. If the development of the parcel owned by the petroleum company is developed into a gas station with a convenience store, RSG projects that it could generate \$12,000 in sales tax revenue in the first year of annexation. Based on data from Costar, RSG projects that both parcels combined could generate \$11,800 in property tax revenue in the first year of annexation at the mid-level scenario of property tax sharing (described in detail later in the memo). It is worth noting that even with the development of these two parcels, annexation is still fiscally negative.

ANALYSIS

RSG evaluated the fiscal impacts of annexation of the Study Areas as a whole and separately. The City is not currently providing any services to the Study Areas and the City's General Fund is not presently impacted by any of the annexation areas.

Overall, RSG projects that annexation would have a negative impact on the City's General Fund. The City would become directly responsible for law enforcement and administrative services, and for road and infrastructure maintenance.

Based on conversations with City staff, the most pressing demands on City services will be associated with law enforcement and public works.

Immediate Expenditure Impacts

After consultation with department heads and a review of the City budget, RSG found that the largest General Fund expenditure impacts are associated with the Police Department and the Administrative Services Department. RSG projects \$3 million of General Fund expenditures for the four Study Areas combined in the first year of annexation. Additionally, there are significant capital costs (both one-time and ongoing) associated with operation and maintenance of the streets in the Study Areas.

Law Enforcement:

Police Chief Turcotte anticipates a material increase in calls for service if all Study Areas are annexed based on calls for service information provided by the County Sheriff's office. Should all Study Areas be annexed, Police Department staff anticipate the need for 12 new personnel (six officers, one detective, two dispatchers, two records assistants, and one part-time animal control officer) with a total cost of \$1,588,000 for personnel annually, beginning in the first year of annexation. Additionally, staff estimate that startup costs for new officers (including equipment and vehicles) would be approximately \$124,000 per officer. RSG has also included \$12,300 annually for ongoing capital funding for vehicle replacements.

RSG projects increased operating costs for the Police Department of approximately \$321,000 annually, beginning in the first year of annexation. In order to apply the City's current standard of service to the Study Areas, RSG projected operating costs based on the current cost to provide services per daytime resident in the City.

Some of the annexation areas have a larger impact than others. Based on current calls for service, law enforcement will likely see a greater call volume in Dewey Drive and Roseville Pointe than in the other two Study Areas. Calls for service and reported crime are significant for the area surrounding the Mercy San Juan Medical Hospital, which is located in Dewey Drive, and the railroad yard, which is located in Roseville Pointe. Animal control services would likely be most impacted by the Dewey Drive area based on animal control call data provided by the County. Table 4 details the projected law enforcement expenditures by Study Area. Note that costs in the first year of annexation will be higher than the average cost of providing services in the future due to startup equipment costs for new officers.

Table 4: Projected Police Department Expenditures

	Study Area	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Division Expenditures							
Total Personnel Cost	\$ 1,588,000	\$ 529,000	\$ 162,000	\$ 897,000	\$ -	\$ 162,000	\$ 162,000
Equipment Cost	801,223	262,723	131,362	407,138	-	131,362	131,362
Budgeted Operating Costs	320,963	50,137	25,277	239,697	5,851	8,079	1,693
Cost Inflation at 2%							
DEPARTMENT TOTALS	\$ 2,710,185	\$ 841,861	\$ 318,638	\$ 1,543,835	\$ 5,851	\$ 301,441	\$ 295,055

Administrative Services:

Finance Department staff noted that the main expenditures associated with the annexation of the Study Areas would be the costs associated with providing human resources, information services, and risk management services to the increased personnel from the Police Department. These costs are expected to total approximately \$276,000 annually, beginning in the first year of annexation. RSG projected these costs based on the incremental increased personnel for the Police Department for each Study Area and the current Administrative Services operating budget.

Table 5: Administrative Services Expenditures

	Study Area	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Operating Expenditures							
Human Resources	\$ 12,336	\$ 4,934	\$ 1,234	\$ 7,402	\$ -	\$ 1,234	\$ 1,234
Information Services	45,113	18,045	4,511	27,068	-	4,511	4,511
Risk Management	217,379	29,744	23,159	163,935	541	16,519	3,179
Finance	1,325	163	136	1,026	-	80	15
DEPARTMENT TOTALS	276,153	52,887	29,040	199,430	541	22,344	8,938

Note: Study Area totals may not perfectly sum due to rounding.

Risk Management staff noted that annexation may lead to increased liability exposure for the City due to the increased population and infrastructure inventory. RSG has included some expenses that may arise due to increased liability by projecting per-capita operating costs for the risk management division, but these costs do not capture potential claims filed against the City.

RSG additionally included increases in the City's General Liability and Workers' Compensation premiums based on conversations with staff from the California Intergovernmental Risk Authority ("CIRA"). CIRA staff approximated that based on the increased personnel needed for annexation, the City could expect its worker's compensation premiums to increase by \$62,650, and that general liability premiums could increase by \$81,110, should all Study Areas be annexed.

RSG obtained claims filed against the County in the Study Areas from the County Risk Management Office. to better understand the risks associated with annexing these particular areas. Between July 1, 2013 and June 30, 2023, there were 35 liability claims filed against the County in the Study Areas, for a total of \$12,700. 31 of those claims were due to claimants hitting potholes and causing damage to vehicles. RSG has conservatively estimated claims cost for the individual Study Areas based on the highest claims that were filed in the past ten years and included them in the Risk Management operating expenditures.

General Services:

RSG projected operating costs for the General Services Department totaling approximately \$15,400 annually, beginning in the first year of annexation. For each division, RSG worked with staff to develop assumptions about the variability of the budget (e.g. how much of the operating budget is dependent on population), which was then applied to the per-capita cost of providing services in the City.

Table 6: General Services Expenditures

Study Area	Study Area Detail				Alternate Study Areas	
	Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Division Operating Expenditures						
Community Events	\$ 2,451	\$ 302	\$ 252	\$ 1,897	\$ -	\$ 148
Community Centers	3,683	453	378	2,852	-	222
Engineering and O & M	6,221	766	639	4,817	-	375
Facility Management	-	-	-	-	-	-
Fleet Management	3,008	370	309	2,329	-	181
TOTAL	15,363	1,891	1,577	11,895	-	926
Capital Costs						
Maintenance - Roseville Rd	210,685	210,685	-	-	-	210,685
Slurry Sealing	2,415,601	497,929	331,625	1,543,331	42,239	274,197
Street Light Maintenance	173,828	71,804	47,981	53,571	3,151	46,231
TOTAL	2,800,114	780,418	379,607	1,596,902	45,390	531,112
DEPARTMENT TOTALS	\$2,815,477	\$ 782,309	\$ 381,184	\$ 1,608,797	\$ 45,390	\$ 532,039
						\$ 174

Note: Study Area totals may not perfectly sum due to rounding.

The General Services Department incurs expenditures and revenues in non-General Funds. Based on guidance from General Services staff, RSG has projected increased expenditures and revenues associated with four of the most significant funds used by the department on a per-capita basis. Expenditures for these funds exceed revenues by approximately \$66,000. In the first year of annexation, RSG projects that revenues associated with these funds could total approximately \$1 million and that expenditures associated with both could total approximately \$1.1 million. Table 7 shows the revenues and expenditures associated with non-General Fund sources in the first year of annexation for each Study Area.

Table 7: Non-General Fund Revenues and Expenditures

		Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Revenues							
Gas Tax	\$ 236,478	\$ 29,103	\$ 24,278	\$ 183,097	\$ -	\$ 14,259	\$ 2,674
RMRA-SB1	171,312	21,083	17,588	132,641	-	10,330	1,937
Stormwater	371,939	45,773	38,185	287,981	-	22,428	4,205
Measure A	252,561	31,082	25,929	195,550	-	15,229	2,855
Expenditures							
Gas Tax	\$ 224,987	\$ 27,688	\$ 23,098	\$ 174,201	\$ -	\$ 13,566	\$ 2,544
RMRA-SB1	168,813	20,775	17,331	130,706	-	10,179	1,909
Stormwater	417,831	51,421	42,896	323,514	-	25,195	4,724
Measure A	287,040	35,325	29,469	222,246	-	17,308	3,245
Net Balance	\$ (66,382)	\$ (8,169)	\$ (6,815)	\$ (51,397)	\$ -	\$ (4,003)	\$ (751)

RSG conducted an inventory of streets and street lighting in each of the study areas and worked with General Services staff to project the cost of maintaining or improving the existing infrastructure. In total, there are approximately 40 miles of roads in the four Study Areas combined. General Services staff anticipate that approximately 50% of the road infrastructure in the Study Areas would need to be resurfaced in order to bring the infrastructure to the City's level of service. RSG projects that resurfacing the roadways could cost approximately \$25 million based on estimates provided by General Services staff. Beyond resurfacing, preventative maintenance will be necessary. Slurry sealing will be necessary at most every ten years. For the road infrastructure in the Study Areas, RSG projects that the cost of slurry sealing could total approximately \$23 million at a cost of three dollars per square foot.

Beyond the typical streets and roads in the Study Areas, General Services staff anticipate that significant capital improvements are needed to bring Roseville Road (in the Roseville Pointe Study Area) to the City's standard of service. Roseville Road largely does not have bike or pedestrian facilities and has design elements the City would likely change upon annexation in order to improve safety and minimize liability. Based on the current cost of the San Juan Complete Streets project, one-time improvements to Roseville Road could cost up to \$32 million. General Services staff estimate maintenance of Roseville Road would require \$2 million every ten years. It may be a significant challenge for the City to absorb the capital costs associated with roads in the Study Area, as the City already faces more than \$90 million in deferred maintenance costs for the roadways currently in the City boundaries.

There are additionally 237 street and traffic signals in the Study Areas combined. Annual operation and maintenance of these signals could cost up to \$174,000 in the first year of annexation based on the current cost of operations and maintenance of the City's street and traffic signals.

CITY OF CITRUS HEIGHTS

October 20, 2023

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Other Departments:

RSG projected operating costs for the City Manager's office and the Community and Economic Development Departments of approximately \$76,500 in the first year of annexation. These projections are generally associated with the per-capita cost of providing services for each of the departments, along with additional operating costs for the City Attorney based on the increased number of law enforcement personnel.

Other Key Municipal Services:

RSG assumes that the Study Area will be detached from County Service Area 1 ("CSA 1"), which provides funds for the maintenance of street and safety lights in Sacramento County. We assume that the Citrus Heights General Services Department would take responsibility for these services, and that the property taxes for CSA 1 would be transferred to the City. RSG assumed that all other special districts in the Annexation Area would continue to provide services to the Study Area, and that they would continue to collect property taxes from the affected parcels.

Significant Increase in Recurring General Fund Revenues

This preliminary analysis projects that the City may collect an estimated \$2.35 million annually from the combined study areas. Table 8 presents a summary of the projected annual revenues.

Table 8: Net New Revenues

	City	Study Area	City + Study Area
General Fund Revenues			
Property Tax	\$ 7,404,484	\$ 489,406	\$ 8,347,103
Sales Tax	14,451,807	1,118,085	16,454,458
Utility Users Tax	2,600,000	370,700	3,129,841
Other Tax/Assessment Revenue	450,000	-	477,544
Franchise Fees	1,380,000	179,500	1,643,967
Licenses and Permits	1,806,552	25,536	1,942,663
Motor Vehicle In Lieu	11,026,823	-	11,701,753
Fines and Forfeitures	769,453	71,800	888,350
Charges for Service	1,114,868	95,500	1,278,607
Other Revenues	2,133,284	-	2,263,858
Total	\$ 43,137,271	\$ 2,350,527	\$ 48,128,144

Property Taxes

The Study Areas combined have a total assessed value of over \$1 billion. RSG assumed the assessed value of secured property in the Study Areas will increase at a rate of 2% annually. RSG did not identify any new commercial or residential development in the Study Areas that would significantly impact the assessed value of the Study Areas.

Annexation would result in the City receiving a partial transfer of property taxes from the County General Fund. The City currently receives approximately 8.4% of the 1% general levy collected within its bounds. There is no Master Property Tax Sharing Agreement in place with the County, which would dictate the terms of property sharing for annexations. RSG has projected three different property sharing scenarios based on both the current share that the City receives and other negotiated property tax sharing agreements in the County. Table 9 shows a breakdown of the different property tax sharing scenarios. Under a low scenario where the City receives 10% of the County share, the City would receive a total of 1.95% of the 1% general levy. Under a high scenario where the City receives 50% of the County share, the City would receive a total of 9.62% of the 1% general levy, which is higher than the City's current share.

Table 9: Property Tax Share Breakdowns

Base Tax	Study Area Total	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive 2	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25
A: Co. Base Tax Pre-Txfr	19.16%	19.26%	19.14%	19.16%	18.25%	19.27%	19.25%
B: CSA Share to City	0.04%	0.01%	0.00%	0.05%	0.00%	0.00%	0.00%
10% Scenario	Share of County GF	10.00%					
	Co. Base Tax	1.92%	1.93%	1.91%	1.92%	1.82%	1.93%
	CSA Shares to City	0.04%	0.01%	0.00%	0.05%	0.00%	0.00%
	Total City Share	1.95%	1.93%	1.91%	1.97%	1.82%	1.92%
25% Scenario	Share of County GF	25.00%					
	Co. Base Tax	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%
	CSA Shares to City	0.04%	0.01%	0.00%	0.05%	0.00%	0.00%
	Total City Share	4.83%	4.80%	4.79%	4.84%	4.79%	4.79%
50% Scenario	Share of County GF	50%					
	Co. Base Tax	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%
	CSA Shares to City	0.04%	0.01%	0.00%	0.05%	0.00%	0.00%
	Total City Share	9.62%	9.59%	9.58%	9.63%	9.58%	9.58%

Table 10 shows a breakdown of RSG's projections of property tax revenues based on the different property tax exchange scenarios by Study Area. RSG has used the mid-level scenario to make determinations about annexation feasibility throughout the memo.

Table 10: Property Tax Revenues

	Study Area	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25	7/1/25
Property Taxes At Low Scenario							
Total Property Taxes Collected	\$ 197,936	\$ 33,625	\$ 22,227	\$ 139,566	\$ 2,528	\$ 16,160	\$ 3,083
Effective City Share of 1%	2%	2%	2%	2%	2%	2%	2%
Property Taxes at Mid Scenario							
Total Property Taxes Collected	489,406	83,459	55,647	343,670	6,637	40,180	7,673
Effective City Share of 1%	5%	5%	5%	5%	5%	5%	5%
Property Taxes at High Scenario							
Total Property Taxes Collected	975,188	166,795	111,295	683,832	13,275	80,360	15,345
Effective City Share of 1%	10%	10%	10%	10%	10%	10%	10%

Note: Study Area totals may not perfectly sum due to rounding.

Based on the midlevel scenario, the City may receive approximately \$489,000 in annual property taxes, beginning in the first year of annexation. Because there is not a Master Property Tax Sharing Agreement in Sacramento County, the City and County will need to negotiate a property tax sharing agreement that would apply to only this annexation.

Note that the City will not collect additional property tax in-lieu of motor vehicle license fees (“MVLF”) for the annexed areas, per State law¹. The lack of this revenue makes annexations across the State fiscally challenging. An update to State law to allow cities to collect property tax in-lieu of MVLF would make annexations more attainable for many cities.

RSG also did not speculate on the revenues that could be generated by a parcel tax levied upon the properties in the annexation areas. RSG projects that a tax of approximately \$1,450 per parcel would fully offset the expenditures that the City would incur through annexation, inclusive of capital expenditures. This tax would vary significantly if the City elected to move forward with annexation of some areas but not others. Table 11 shows the respective parcel tax for each of the areas if annexed on their own.

Table 11: Parcel Tax for Study Areas

	Study Area	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Parcel Tax	\$ 1,447	\$ 4,446	\$ 23,289	\$ 840	\$ 2,436	\$ 3,295	\$ 9,078

Sales Taxes

¹ Revenue and Taxation Code §97.70 does not provide a mechanism for cities to collect property tax in-lieu of motor vehicle license fees for annexed areas.

RSG identified 238 businesses in the four Study Areas combined. There are several large retailers in the Study Area, including Home Depot, Walmart, and CVS, which could drive high potential taxable sales. RSG expects that the City could receive half of the 1% Bradley Burns sales tax (or 0.5% of taxable sales) in the Study Area as a result of negotiations with the County.

RSG estimated potential taxable sales for each business in the Study Areas based on data from US Business Reporter, Data Axel, and sales tax reports from the City.

Table 12: Sales Tax Estimates

	Study Area	Study Area Breakdown				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
Study Area Taxable Sales							
Taxable Sales (Est)	\$ 223,617,049	\$ 67,842,213	\$ 10,294,623	\$ 140,487,450	\$ 4,992,763	\$ -	\$ -
Bradley Burns Sales & Use Tax	1.00%	2,236,170	678,422	102,946	1,404,875	49,928	-
Assumed City Share	0.50%	1,118,085	339,211	51,473	702,437	24,964	-
TOTAL		1,118,085	339,211	51,473	702,437	24,964	-

Sources: California Department of Tax and Fee Administration, Costar, Data Axel, City Financial Reports

Conclusions

This memo presents findings from RSG's initial analysis of the key expenditures and revenues that could impact the City's General Fund in the event of annexation. Overall, RSG anticipates a revenue shortfall in the Study Areas of approximately \$3.65 million in the first year of annexation. Capital improvement costs could total approximately \$32 million to bring infrastructure in the Study Areas to the City's level of service, and the maintenance and operation of infrastructure in the Study Areas could additionally total an average of approximately \$2.9 million annually.

Table 12 shows the breakdown of revenues and expenditures for each Study Area.

Table 13: Net Fiscal Impact

	Study Area	Study Area Detail				Alternate Study Areas	
		Roseville Pointe	Greenback Gateway	Dewey Drive	Fair Oaks / Madison	Roseville Pointe (Residential)	Dewey Drive (Oakbrook)
General Fund Revenues							
Property Tax							
Low Scenario	\$ 197,936	\$ 33,625	\$ 22,227	\$ 139,566	\$ 2,528	\$ 16,160	\$ 3,083
Middle Scenario	489,406	83,459	55,647	343,670	6,637	40,180	7,673
High Scenario	975,188	166,795	111,295	683,832	13,275	80,360	15,345
Sales Tax	1,118,085	339,211	51,473	702,437	24,964	-	-
Other Revenues	743,036	111,094	63,198	555,292	12,152	24,300	4,800
Total Revenues							
Low Scenario	\$ 2,059,057	\$ 483,930	\$ 136,898	\$ 1,397,295	\$ 39,644	\$ 40,460	\$ 7,883
Middle Scenario	2,350,527	533,764	170,319	1,601,399	43,753	64,480	12,473
High Scenario	2,836,309	617,099	225,966	1,941,560	50,391	104,660	20,145
General Fund Expenditures							
City Manager's Office	\$ 23,026	\$ 7,610	\$ 2,314	\$ 14,789	\$ -	\$ 2,072	\$ 1,791
Community & Econ. Develop.	53,468	11,022	6,566	32,831	3,049	-	-
Administrative Services	277,614	52,887	29,040	199,430	541	22,344	8,938
Police Department	2,710,185	841,861	318,638	1,543,835	5,851	301,441	295,055
General Services	15,469	1,891	1,577	11,895	-	926	174
TOTAL OPERATING EXPENDITURES	3,079,763	915,271	358,136	1,802,782	9,441	326,782	305,958
Capital Expenditures ¹							
Roseville Road Maintenance	210,685	210,685	-	-	-	210,685	-
Storm Sealing	2,415,601	497,929	331,625	1,543,331	42,239	274,197	-
Street Light Maintenance	173,828	71,804	47,981	53,571	3,151	46,231	-
Cost Contingency (2%)	118,000	34,000	14,800	68,000	1,100	17,200	6,100
TOTAL CAPITAL EXPENDITURES	2,918,114	814,418	394,407	1,664,902	46,490	548,312	6,100
Total Expenditures	\$ 5,997,877	\$ 1,729,689	\$ 752,542	\$ 3,467,684	\$ 55,931	\$ 875,095	\$ 312,058
Surplus / (Deficit)							
Low Scenario	\$ (3,938,820)	\$ (1,245,759)	\$ (615,644)	\$ (2,070,389)	\$ (16,287)	\$ (834,635)	\$ (304,176)
Middle Scenario	(3,647,350)	(1,195,925)	(582,223)	(1,866,285)	(12,178)	(810,615)	(299,585)
High Scenario	(3,161,568)	(1,112,590)	(526,576)	(1,526,123)	(5,541)	(770,435)	(291,913)

Note: Study Area totals may not sum perfectly due to rounding.

¹ Capital expenditures shown in this table do not include the maintenance and repairs needed to bring Roseville Road (in the Roseville Pointe Study Area) to the City's standard of service. General Services staff estimate that the cost to make infrastructure repairs on Roseville Road could total \$32 million.

Should the City negotiate a higher tax sharing agreement with the County, or negotiate a higher portion of the Bradley-Burns sales tax for the Study Areas, the results of this Study could change materially.

Sincerely,
 RSG, INC.



Jim Simon, Principal



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT

MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members

FROM: Ryan Jones, City Attorney
Alex Turcotte, Chief of Police

SUBJECT: **Ordinance of the City Council of the City of Citrus Heights Repealing Citrus Heights Municipal Code Chapter 78, Article III. - Prohibition Against Intrusive and Unsafe Panhandling, Sections 78-50 to 78-54.**

Summary and Recommendation

The Municipal Code of the City of Citrus Heights - Chapter 78, Article III. - Prohibition on Intrusive and Unsafe Panhandling, Sections 78-50 to 78-54 - regulates panhandling activity within the City. To bring the municipal code in line with current law as it evolves and to address Constitutional concerns related to First Amendment protections of free speech, City staff recommends the Council repeal the above Code sections.

The text of the panhandling ordinance of the City of Citrus Heights is similar to that of the panhandling ordinance enacted in 2017 by the City of Sacramento. In 2018, Sacramento's panhandling ordinance was challenged as unconstitutional in *Sacramento Regional Coalition to End Homelessness v. City of Sacramento* (E.D. Cal. July 19, 2018).

Plaintiffs' claims against Sacramento were based on the United States Supreme Court's decision in *Reed v. Town of Gilbert, Ariz.*, 576 U.S. 155 (2015). The portion of the ruling in *Reed* that is applicable to the panhandling ordinance is that if any sign or message or communication must be read or heard to determine whether it is lawful or unlawful, it is considered speech. If there is speech involved, it is protected under the First Amendment and all statutory and case law related thereto apply with equal force. Any attempt to regulate speech by the city must therefore be content neutral. Following *Reed*, Courts throughout the United States have invalidated or enjoined anti-panhandling ordinances on the basis that prohibiting panhandling, which is a type of speech (i.e., a request for funds, food, donations, etc.) and protected by the First Amendment and any regulation thereof must meet a much higher level of scrutiny.

District Judge England ordered a stay in enforcement of the Sacramento ordinance and ordered Sacramento to file a proposal for amending the ordinance. A consent degree and judgment were entered against City of Sacramento and the court awarded plaintiffs' attorneys fees and costs.

Continuing to enforce Municipal Code Sections 78-50 to 78-54 exposes the City of Citrus Heights to a high risk of liability based on the implication of its residents' rights to free speech under the First Amendment of the U.S. Constitution and Article I, Section 2 of the California Constitution.

Despite repeal of Municipal Code Sections 78-50 to 78-54, persons using aggressive behaviors against others while soliciting, or violating vehicle and traffic laws, or other laws may still face prosecution for violating California Penal Code Sections 415 and/or 647(c), California Vehicle Code 22520.5(a) and/or 22455(b), California Health and Safety Code 113709 and/or 114315, among other applicable laws.

In addition, the Police Department and City Attorney's Office are working collectively to draft a replacement ordinance which staff intends to bring to the Council at the December Council meeting, which addresses street safety concerns while adhering to the Constitutional parameters discussed above.

Recommendation

To address this ongoing concern, staff recommends the following:

Motion: Move to introduce the first reading and read by title only and waive the full reading of Ordinance No. 2023-____, as shown in Attachment 1, an Ordinance of the City Council of the City of Citrus Heights, California, repealing Citrus Heights Municipal Code Chapter 78, Article III. - Prohibition Against Intrusive and Unsafe Panhandling, Sections 78-50 to 78-54

If Council passes this motion, this proposed ordinance will be scheduled for second reading and adoption at the Council meeting of November 9, 2023, with an effective date 30 days thereafter.

Fiscal Impact

There is no fiscal impact associated with this action.

Attachment

1. An Ordinance of the City Council of the City of Citrus Heights repealing Citrus Heights Municipal Code Chapter 78, Article III. - Prohibition Against Intrusive and Unsafe Panhandling, Sections 78-50 to 78-54.

ORDINANCE NO. 2023-__

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, REPEALING CITRUS HEIGHTS MUNICIPAL CODE
CHAPTER 78, ARTICLE III. - PROHIBITION AGAINST INTRUSIVE AND
UNSAFE PANHANDLING, SECTIONS 78-50 TO 78-54**

The City Council of the City of Citrus Heights hereby ordains as follows:

SECTION 1. Declaration of Intent.

The purpose of this ordinance is to promote and ensure the health, safety, and welfare of its residents while simultaneously honoring the rights of its residents to free speech as protected under First Amendment of the U.S. Constitution and Article I, Section 2 of the California Constitution.

SECTION 2. Repeal of Municipal Code Sections 78-50 to 78-54.

Citrus Heights Municipal Code Chapter 78, Article III. - Prohibition Against Intrusive and Unsafe Panhandling, Sections 78-50 to 78-54 are hereby repealed in their entirety.

SECTION 3. CEQA.

This action or project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines. The action being considered by the City Council is an administrative activity of government that will not result in a direct or indirect physical change in the environment.

SECTION 4. Severability.

If any section, subdivision, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. Effective Date and Notice.

This ordinance shall take effect thirty (30) days after its adoption, provided it is published in full or in summary within fifteen (15) days of its adoption, in a newspaper of general circulation published and circulated in the City of Citrus Heights.

SECTION 6. Ordinance Introduced at Regular Meeting.

This Ordinance was introduced at a regular meeting of the City Council held on October 26, 2023.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights at a regular meeting held on this __ day of _____, 2023, by the following vote:

AYES: **Council Members:**

NOES: **Council Members:**

ABSENT: Council Members:
ABSTAIN: Council Members:

Tim Schaefer, Mayor

Amy Van, City Clerk



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: October 26, 2023

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Alexander A. Turcotte, Chief of Police
Cassandra Kinnan, Senior Management Analyst

SUBJECT: School Resource Officer Options

Summary and Recommendation

Staff recommends the City Council provide direction via Resolution as to how to proceed with the topic of assigning School Resource Officers at the two Citrus Heights High Schools; San Juan and Mesa Verde. Staff has prepared three alternate resolutions for Council consideration.

1. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Use of General Fund to Fund Two Additional Police Officer Positions to be Assigned to the High Schools in Citrus Heights.
2. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Use of American Rescue Plan Act Funding to Fund Two Additional Police Officer Positions to be Assigned to the High Schools in Citrus Heights.
3. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Directing the City Manager to formally request funding participation from the San Juan Unified School District Board to Fund Two Police Officer Positions to be Assigned to the High Schools in Citrus Heights.

City Council Strategic Goal/Objective

This staff report aligns with the following Citrus Heights City Council Strategic Plan Objectives:

Goal: Preserve and enhance public safety

Fiscal Impact

1. If Council authorized the funding of two full-time officers the estimated impact to the general fund is \$247,570 in startup costs, \$146,500 in personnel and \$47,550 in operating annual costs for FY 23/24 (January 1 – June 30); \$324,800 in personnel and \$61,000 in operating annual costs for FY 24/25; and \$332,200 in personnel and \$63,000 in operating

School Resource Officer Options

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annual costs for FY 25/26 Estimated startup costs includes the acquisition of vehicles, uniforms, equipment, computers, supplies, and costs associated with the background process. Annual operating costs includes the costs for annual training, supplies, vehicles and equipment, maintenance, and other miscellaneous items.

2. If Council authorized the use of American Rescue Plan Act (ARPA) funds, the costs listed above would be the same. However, at the end of the ARPA funds, the use of general fund money would need to be utilized to cover the ongoing expenses.
3. If Council directed the City Manager to formally request funding participation from the San Juan Unified School District, there would be no financial impact associated with that particular action. Future fiscal impacts would be dependent on the outcome of those discussions. .

Background and Analysis

A number of threats and violent incidents have occurred at schools throughout the nation. Members of City Council have voiced concern about safety at Citrus Heights schools. At the July 28, 2022 City Council meeting, Police Chief Turcotte provided a school safety update describing how Citrus Heights Police Department engages with San Juan Unified Safe Schools program and their readiness to respond should an incident or a threat happen at a Citrus Heights school. There was also discussion that San Juan Unified School District (SJUSD) allocated \$10 million to support safety improvements at schools throughout the district and that SJUSD would be providing an update to City Council at a future meeting about their plans for safety improvements. Representatives from SJUSD provided an overview of their Safe Schools program and their planned safety improvements as a separate agenda item at the January 12, 2023 meeting and the police department provided an overview of the approximate cost of adding 12 School Resource Officers (SROs) with associated support staff in Citrus Heights schools.

On March 23, 2023, Council requested the police department assess the funding required to provide a total of two (2) SROs; one at each high school. In response to Council's request, Chief Turcotte presented estimated startup and ongoing costs at the August 10, 2023 Council meeting. Council requested further discussion on this topic at a later date. At the same meeting, a representative from the San Juan Unified School District attended and presented Council with an overview of the District's Safe Schools program. At the August 10, 2023 City Council meeting two members of the Council requested a discussion item be brought back at a future Council meeting for consideration to fund two police officers, one at each high school in Citrus Heights, and that the Council consider funding with General Fund dollars. Should City Council desire to pursue this item further with the San Juan Unified School District, staff recommends the approach where San Juan Unified School District be formally requested to participate in the funding of the SROs.

This staff report is intended to provide Council with options in proceeding with this topic.

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Attachments

1. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Use of General Fund to Fund Two Additional Police Officer Positions to be Assigned to the High Schools in Citrus Heights.
2. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the Use of American Rescue Plan Act Funding to Fund Two Additional Police Officer Positions to be Assigned to the High Schools in Citrus Heights.
3. Resolution No. 2023-___ a Resolution of the City Council of the City of Citrus Heights, California, Directing the City Manager to formally request funding participation from the San Juan Unified School District to Fund Two Police Officer Positions to be Assigned to the High Schools in Citrus Heights.

RESOLUTION NO. 2023- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, AUTHORIZING THE USE OF GENERAL FUNDS TO FUND TWO
ADDITIONAL POLICE OFFICER POSITIONS TO BE ASSIGNED TO THE HIGH
SCHOOLS IN CITRUS HEIGHTS**

WHEREAS, there have been a number of threats and violent incidents that have occurred at schools throughout the nation;

WHEREAS, Members of City Council have voiced concern about safety at Citrus Heights schools;

WHEREAS, the police department does not have any dedicated officers assigned to Citrus Heights Schools; and

WHEREAS, the cost to assign two police officers at the schools is \$247,570 in startup costs, \$146,500 in personnel and \$47,550 in operating annual costs for FY 23/24 (January 1 – June 30); \$324,800 in personnel and \$61,000 in operating annual costs for FY 24/25; and \$332,200 in personnel and \$63,000 in operating annual costs for FY 25/26.

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby authorize the use of general funds to fund two additional police officer positions.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2023, by the following vote, to wit:

AYES:	Council Members:
NOES:	Council Members:
ABSTAIN:	Council Members:
ABSENT:	Council Members:

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk

RESOLUTION NO. 2023- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, AUTHORIZING THE USE OF AMERICAN RESCUE PLAN ACT FUNDS TO
FUND TWO ADDITIONAL POLICE OFFICER POSITIONS TO BE ASSIGNED TO THE
HIGH SCHOOLS IN CITRUS HEIGHTS**

WHEREAS, there have been a number of threats and violent incidents that have occurred at schools throughout the nation;

WHEREAS, Members of City Council have voiced concern about safety at Citrus Heights schools;

WHEREAS, the police department does not have any dedicated officers assigned to Citrus Heights Schools; and

WHEREAS, the cost to assign two police officers at the schools is \$247,570 in startup costs, \$146,500 in personnel and \$47,550 in operating annual costs for FY 23/24 (January 1 – June 30); \$324,800 in personnel and \$61,000 in operating annual costs for FY 24/25, and \$332,200 in personnel and \$63,000 in operating annual costs for FY 25/26

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby authorize the use of American Rescue Plan Act funds to fund two additional police officer positions.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2023, by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk

RESOLUTION NO. 2023- ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS,
CALIFORNIA, DIRECTING THE CITY MANAGER TO FORMALLY REQUEST FUNDING
PARTICIPATION FROM THE SAN JUAN UNIFIED SCHOOL DISTRICT TO FUND TWO
POLICE OFFICER POSITIONS TO BE ASSIGNED TO THE HIGH SCHOOLS IN CITRUS
HEIGHTS**

WHEREAS, there have been a number of threats and violent incidents that have occurred at schools throughout the nation;

WHEREAS, Members of City Council have voiced concern about safety at Citrus Heights schools;

WHEREAS, the police department does not have any dedicated officers assigned to Citrus Heights Schools; and

WHEREAS, the cost to assign two police officers at the schools is \$247,570 in startup costs, \$146,500 in personnel and \$47,550 in operating annual costs for FY 23/24 (January 1 – June 30); \$324,800 in personnel and \$61,000 in operating annual costs for FY 24/25, and \$332,200 in personnel and \$63,000 in operating annual costs for FY 25/26.

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City of Citrus Heights directs the City Manager to formally request funding participation from the San Juan Unified School District to fund two police officer positions to be assigned to the High Schools in Citrus Heights.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 26th day of October 2023, by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Tim Schaefer, Mayor

ATTEST:

Amy Van, City Clerk