

**CORCORAN CITY COUNCIL,  
JOINT POWERS FINANCE AUTHORITY,  
SUCCESSOR AGENCY FOR CORCORAN RDA,  
& HOUSING AUTHORITY  
AGENDA**

**City Council Chambers  
1015 Chittenden Avenue  
Corcoran, CA 93212**

**Tuesday, June 14, 2022  
5:30 P.M**

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**Public Inspection:** A detailed City Council packet is available for review at the City Clerk's Office, located at Corcoran City Hall, 832 Whitley Avenue.

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**Notice of ADA Compliance:** In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk's Office at (559) 992-2151.

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**ROLL CALL**

Mayor:	Patricia Nolen
Vice Mayor:	Jeanette Zamora-Bragg
Council Member:	Greg Ojeda
Council Member:	Sidonio "Sid" Palmerin
Council Member:	Jerry Robertson

**INVOCATION**

**FLAG SALUTE**

**1. PUBLIC DISCUSSION**

Members of the audience may address the Council on non-agenda items; however, in accordance with government code section 54954.2, the Council may not (except in very specific instances) take action on an item not appearing on the posted agenda.

This is the time for members of the public to comment on any matter within the jurisdiction of the Corcoran City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item. The councilmembers ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome.

After receiving recognition from the chair, speakers shall state their name and address and proceed with comments. Each speaker will be limited to five (5) minutes.

## 2. CONSENT CALENDAR (VV)

All items listed under the consent calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion of any item on the consent calendar, the item can be removed at the request of any member of the City Council and made a part of the regular agenda.

- 2-A. Approval of minutes of the meeting of the City Council on May 10, 2022.
- 2-B. Authorization to read ordinances and resolutions by title only.
- 2-C. Consider approval of Resolution No. 3136 and Resolution No. 3137, regarding annual update of existing Landscaping Assessment District No. 07-01, Subdivision Salyer Estates No. 3, Tract Map 853.
- 2-D. Consider approval of Resolution No. 3138 and Resolution No. 3139, regarding annual update of existing Landscaping Assessment District No. 07-02, Subdivision Pheasant Ridge, Tract Map 857.
- 2-E. Consider approval of Resolution No. 3140 and Resolution No. 3141, regarding annual update of existing Landscaping Assessment District No. 08-01, Subdivision Sunrise Villas, Tract Map 856.
- 2-F. Consider approval of Resolution No. 3142 and Resolution No. 3143, regarding annual update of existing Landscaping Assessment District No. 08-02, Subdivision Patterson Avenue, Tract Map 785.
- 2-G. Consider approval of Resolution No. 3144 and Resolution No. 3145, regarding annual update of existing Public Facility Maintenance District (PFMD) Assessment District No. 18-01, Subdivision Sierra Estates 2, Tract 925
- 2-H. Ratify Proclamation No. 2022-05 proclaiming May 2022 as Community Action Month.
- 2-I. Consider approval of Final Map 21-03 that was approved by the Planning Commission on June 21, 2021.
- 2-J. Consider approval of Final Map 22-02 submitted by Zumwalt Hansen representing Mr. Shayne Crapo for property located at 975 Van Dorsten and 1220 Hanna Avenue APN # 030-165-012.
- 2-K. Consider approval of Final Map 22-01 submitted by Zumwalt Hansen representing New Life Tabernacle Church for property located at APN # 030-022-025 625 Soto Avenue.
- 2-L. Consider approval of Final Map 22-03 submitted Zumwalt Hansen a QK Company representing Roger E. Daniel for property located at APN # 030-092-001 700 Otis Avenue.
- 2-M. Consider Rejection of the Claim by American Dream Property Management.

## 3. APPROPRIATIONS (VV)

Approval of Warrant Register dated May 24, 2022. (*Ruiz-Nuñez*) (VV)

## 4. PRESENTATIONS

- 4-A. Presentation by Kathy Chambers with Moore and Associates regarding the Transit Triennial Performance Audit. (*Tromborg*)

5. **PUBLIC HEARINGS** – None

6. **WRITTEN COMMUNICATIONS** – None

7. **STAFF REPORTS**

7-A. Consider renewal of the Caves and Associates Agreement. (*Gatzka*)  
(*VV*)

7-B. Consider adopting Resolution No. 3135 regarding updates to the City First Time Home Buyers (FTHB) Home Investment Partnership Program (HOME) Program guidelines. (*Tromborg*) (*VV*)

7-C. Police Department 2021 Annual Report. (*Shortnacy*)

7-D. Discussion regarding illegal fireworks. (*Shortnacy*)

7-E. *Budget Review... (Ruiz-Nuñez)*

7-F. Review a summary of the RFP for Classification and Compensation Study responses and consider rejection of all proposals. (*Gatzka*) (*VV*)

7-G. Review the strategic approach for ARPA funding to be used in Downtown Corcoran Revitalization and consider directing staff to prepare an implementation program. (*Gatzka*) (*VV*)

7-H. Progress report, 6<sup>th</sup> cycle, Regional Housing Needs Assessment Plan (RHNA). (*Tromborg*)

8. **MATTERS FOR MAYOR AND COUNCIL**

8-A. Upcoming Events/Meetings

8-B. City Manager's Report

8-C. Council Comments/Staff Referral Items - *Items of Interest (Non-action items the Council may wish to discuss)*

8-D. Committee Reports

9. **CLOSED SESSION** – None

10. **ADJOURNMENT**

I certify that I caused this Agenda of the Corcoran City Council meeting to be posted at the City Council Chambers, 1015 Chittenden Avenue on May 20, 2022.



Marlene Spahr, City Clerk



**MINUTES  
CORCORAN CITY COUNCIL,  
JOINT POWERS FINANCE AUTHORITY,  
SUCCESSOR AGENCY FOR CORCORAN RDA,  
& HOUSING AUTHORITY REGULAR MEETING**

**Tuesday, May 10, 2022**

The regular session of the Corcoran City Council was called to order by Mayor Nolen, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 5:31 P.M.

**ROLL CALL**

Councilmembers present: Patricia Nolen, Sidonio Palmerin, and Zamora-Bragg

Councilmembers absent: Jerry Robertson and Greg Ojeda

Staff present: Joseph Faulkner, Greg Gatzka, Jessica Gutierrez, Tina Gomez, Marlene Spain, Reuben Shortnacy and Kevin Tromborg

Press present: None

**INVOCATION** - Invocation was led by Councilmember Palmerin

**FLAG SALUTE** – Flag salute was led by Councilmember Zamora-Bragg

Councilmember Robertson arrived at 5:32 P.M.

**1. PUBLIC DISCUSSION**

Alicia Jacobo with Senator Hurtado’s office addressed the Council regarding some of the projects Hurtado’s office has been working on.

**2. CONSENT CALENDAR (VV)**

Following Council discussion, a **motion** was made by Robertson and seconded by Palmerin to approve the Consent Calendar. Motion carried by the following vote:

**AYES:** Nolen, Palmerin, and Roberston

**NOES:**

**ABSENT:** Ojeda

**ABSTAIN:** Zamora-Bragg abstained from the minutes.

**2-A.** Approval of minutes of the meeting of the City Council on April 26, 2022.

**2-B.** Authorization to read ordinances and resolutions by title only.

**2-C.** Approve the Final Acceptance of Work for City of Corcoran Pedestrian and Bicycle Facility Improvement Project and adopt Resolution 3132 Authorizing Final Acceptance and Notice of Completion.

- 2-D. Consider request from the Corcoran Chamber of Commerce to hold the annual SpringFest Saturday, May 14, 2022 in downtown Corcoran, utilizing Whitley Ave., Chittenden Ave and Christmas Tree Park.
- 2-E. Approve the Final Acceptance of Work for City of Corcoran Pedestrian and Bicycle Facility Improvement Project and adopt Resolution 3133 Authorizing Final Acceptance and Notice of Completion.

3. **APPROPRIATIONS (VV)**

Following Council discussion, a **motion** was made by Zamora-Bragg and seconded by Robertson to approve warrant register dated April 26, 2022. Motion carried by the following vote:

**AYES:** Nolen, Palmerin, Roberston and Zamora-Bragg  
**NOES:**  
**ABSENT:** Ojeda

4. **PRESENTATIONS** – None

5. **PUBLIC HEARINGS**

- 5-A. Continuation of Public Hearing to Receive Public Comment to Update the City of Corcoran’s 2020 Urban Water Management Plan. Public Works Director presented the staff report. There being no written or oral testimony the Public Hearing was declared closed at 6:49 P.M.

Following Council discussion, a **motion** was made by Ojeda and seconded by Robertson to continue adopt the City of Corcoran’s 2020 Urban Water Management Plan and 2020 Water Shortage Contingency Plan. Motion carried by the following vote:

**AYES:** Nolen, Palmerin, Roberston and Zamora-Bragg  
**NOES:**  
**ABSENT:** Ojeda

6. **WRITTEN COMMUNICATIONS** – None

7. **STAFF REPORTS**

- 7-A. Following Council discussion, a **motion** was made by Robertson and seconded by Palmerin to table 7-A for the next meeting. Motion carried by the following vote:

**AYES:** Nolen, Palmerin, Roberston and Zamora-Bragg

**NOES:**  
**ABSENT:** Ojeda

- 7-B.** Following Council discussion, a **motion** was made by Robertson and seconded by Zamora-Bragg to approve Resolution No. 3134 to authorize approval of the Sustainable Transportation Grant. Motion carried by the following vote:

**AYES:** Nolen, Palmerin, Roberston and Zamora-Bragg  
**NOES:**  
**ABSENT:** Ojeda

**8. MATTERS FOR MAYOR AND COUNCIL**

- 8-A.** Council received information items.
- 8-B.** Staff received referral items.
- 8-C.** Committee reports.

**CLOSED SESSION** – None

**ADJOURNMENT**                      **6:19 P.M.**

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Patricia Nolen, Mayor

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Marlene Spain, City Clerk

**APPROVED DATE:** \_\_\_\_\_

City of

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**STAFF REPORT  
ITEM #: 2-C**

**MEMO**

**TO:** Corcoran City Council

**FROM:** Marlene Spain, City Clerk

**DATE:** May 20, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Consider approval of Resolution No. 3136 Directing City Engineer to prepare a report on Assessment District No. 07-01, Subdivision Salyer Estates No. 3, Tract Map 853, Pursuant to Landscape & Lighting Act of 1972 and Resolution No. 3137 Intent to Levy and Collect Assessments on Assessment District No. 07-01, Subdivision Salyer Estates No. 3, Tract Map 853, Pursuant to Landscape & Lighting Act of 1972.

**Recommendation: (Voice Vote)**

Move to approve Resolution No. 3136 and Resolution No. 3137, regarding annual update of existing Landscaping Assessment District No. 07-01, Subdivision Salyer Estates No. 3, Tract Map 853.

**Discussion:**

This is the first step in the process for reviewing annual Landscaping Assessment Districts.

**Budget Impact:**

The assessments will pay for all costs relating to the maintenance of the district.

**Attachments:**

Resolution No. 3136

Resolution No. 3137

City Offices

RESOLUTION NO. 3136

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 07-01, SUBDIVISION SALYER ESTATES NO. 3, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed an assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 07-01, Subdivision Salyer Estates No. 3.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14<sup>th</sup> day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

RESOLUTION NO. 3137

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 07-01, SUBDIVISION SALYER ESTATES NO. 3, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 07-01, Subdivision Salyer Estates No. 3.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14th day of June 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

City of  
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**STAFF REPORT**

**ITEM #: 2-D**

**MEMO**

**TO:** Corcoran City Council

**FROM:** Marlene Spain, City Manager

**DATE:** May 20, 2022      **MEETING DATE:** June 14, 2022

**SUBJECT:** Consider approval of Resolution No. 3138 Directing City Engineer to prepare a report on Assessment District No. 07-02, Subdivision Pheasant Ridge (previously known as Sequoias Phase I), Tract Map 857, Pursuant to Landscape & Lighting Act of 1972 and Resolution No. 3139 Intent to Levy and Collect Assessments on Assessment District No. 07-02, Subdivision Pheasant Ridge (previously known as Sequoias Phase I), Tract Map 857, Pursuant to Landscape & Lighting Act of 1972.

**Recommendation: (Voice Vote)**

Move to approve Resolution No. 3138 and Resolution No. 3139, regarding annual update of existing Landscaping Assessment District No. 07-02, Subdivision Pheasant Ridge, Tract Map 857.

**Discussion:**

This is the first step in the process for reviewing annual Landscaping Assessment Districts.

**Budget Impact:**

The assessments will pay for all costs relating to the maintenance of the district.

**Attachments:**

Resolution No. 3138

Resolution No. 3139

City Offices

RESOLUTION NO. 3138

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 07-02, SUBDIVISION PHEASANT RIDGE (PREVIOUSLY KNOWN AS SEQUOIAS PHASE I), PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran has formed an assessment district pursuant to the Landscaping and Lighting Act of 1972 (Section 22500) and following, Streets & Highways Code) for the purpose of the following improvements:

Maintenance of turf areas, shrubs, trees, irrigation systems, walls; and street lighting.

WHEREAS, the City Council needs to direct the City Engineer to prepare the file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

NOW, THEREFOR BE IT RESOLVED, that the City Council of the City of Corcoran does herewith direct and order the City Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping & Lighting Act of 1972.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14th day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk



RESOLUTION NO. 3139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 07-02, SUBDIVISION PHEASANT RIDGE (PREVIOUSLY KNOWN AS SEQUOIAS PHASE I), PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 07-02, Subdivision Pheasant Ridge.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 24th day of May, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

City of

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**STAFF REPORT**

**ITEM #: 2-E**

**MEMO**

**TO:** Corcoran City Council

**FROM:** Marlene Spain, City Manager

**DATE:** May 20, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Consider approval of Resolution No. 3140 Directing City Engineer to prepare a report on Assessment District No. 08-01, Subdivision Sunrise Villas, Tract Map 856, Pursuant to Landscape & Lighting Act of 1972 and Resolution No. 3141 Intent to Levy and Collect Assessments on Assessment District No. 08-01, Subdivision Sunrise Villas, Tract Map 856, Pursuant to Landscape & Lighting Act of 1972.

**Recommendation: (Voice Vote)**

Move to approve Resolution No. 3140 and Resolution No. 3141, regarding annual update of existing Landscaping Assessment District No. 08-01, Subdivision Sunrise Villas, Tract Map 856.

**Discussion:**

This is the first step in the process for reviewing annual Landscaping Assessment Districts.

**Budget Impact:**

The assessments will pay for all costs relating to the maintenance of the district.

**Attachments:**

Resolution No. 3140

Resolution No. 3141

City Offices

RESOLUTION NO. 3140

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 08-01, SUBDIVISION SUNRISE VILLAS, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 08-01, Subdivision Sunrise Villas.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14th day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

RESOLUTION NO. 3141

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING  
ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 08-01,  
SUBDIVISION SUNRISE VILLAS, PURSUANT TO LANDSCAPE AND LIGHTING ACT  
OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the  
Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code);  
AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a  
report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy  
and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28,  
2022 to consider the intent to levy and collect assessments on Assessment District No. 08-01,  
Subdivision Sunrise Villas.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of  
Corcoran held on the 14th day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

City of

# CORCORAN

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**STAFF REPORT**

**ITEM #: 2-F**

**MEMO**

**TO:** Corcoran City Council

**FROM:** Marlene Spain, City Manager

**DATE:** May 20, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Consider approval of Resolution No. 3142 Directing City Engineer to prepare a report on Assessment District No. 08-02, Subdivision Patterson Avenue, Tract Map 785, Pursuant to Landscape & Lighting Act of 1972 and Resolution No. 3143 Intent to Levy and Collect Assessments on Assessment District No. 08-02, Subdivision Patterson Avenue, Tract Map 785, Pursuant to Landscape & Lighting Act of 1972.

**Recommendation: (Voice Vote)**

Move to approve Resolution No. 3142 and Resolution No. 3143, regarding annual update of existing Landscaping Assessment District No. 08-02, Subdivision Patterson Avenue, Tract Map 785.

**Discussion:**

This is the first step in the process for reviewing annual Landscaping Assessment Districts.

**Budget Impact:**

The assessments will pay for all costs relating to the maintenance of the district.

**Attachments:**

Resolution No. 3142

Resolution No. 3143

City Offices

RESOLUTION NO. 3142

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 08-02, SUBDIVISION PATTERSON AVENUE, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 08-02, Subdivision Patterson Avenue.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14th day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

RESOLUTION NO. 3143

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN DIRECTING ENGINEER TO PREPARE A REPORT ON ASSESSMENT DISTRICT NO. 08-02, SUBDIVISION PATTERSON AVENUE, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City of Corcoran formed and assessment district pursuant to the Landscaping and Lighting Act 1972 (Section 22500 and following, Streets & Highways Code); AND

WHEREAS, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

WHEREAS, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said assessment district.

NOW, THEREFOR BE IT RESOLVED, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Assessment District No. 08-02, Subdivision Patterson Avenue.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Corcoran held on the 14th day of June, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: \_\_\_\_\_  
Patricia Nolen, Mayor

ATTEST: \_\_\_\_\_  
Marlene Spain, City Clerk

City of

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**STAFF REPORT**

**ITEM #: 2-G**

**MEMO**

**TO:** Corcoran City Council

**FROM:** Marlene Spain, City Manager

**DATE:** May 20, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Consider approval of Resolution No. 3144 Directing City Engineer to prepare a report on Public Facility Maintenance District (PFMD) Assessment District No. 18-01, Subdivision Sierra Estates 2, Tract 925 and Resolution No. 3145 Intent to Levy and collect Assessments on Public Facility Maintenance District (PFMD) Assessment No. 18-01

**Recommendation: (Voice Vote)**

Move to approve Resolution No. 3144 and Resolution No. 3145, regarding annual update of existing Public Facility Maintenance District (PFMD) Assessment District No. 18-01, Subdivision Sierra Estates 2, Tract 925

**Discussion:**

This is the first step in the process for reviewing annual Landscaping Assessment Districts.

**Budget Impact:**

The assessments will pay for all costs relating to the maintenance of the district.

**Attachments:**

Resolution No. 3144

Resolution No. 3145

City Offices



**RESOLUTION NO. 3144**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN  
DIRECTING ENGINEER TO PREPARE A REPORT ASSESSMENTS ON PUBLIC  
FACILITY MAINTENANCE DISTRICT (PFMD) NO. 18-01, SUBDIVISION SIERRA  
ESTATES 2, TRACT 925, PURSUANT TO LANDSCAPE AND LIGHTING ACT  
OF 1972**

**WHEREAS**, the City of Corcoran formed an assessment district pursuant to the Landscaping and Lighting Act of 1972 (Section 22500 and following, Streets & Highways Code); AND

**WHEREAS**, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

**WHEREAS**, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said public facility maintenance district (PFMD).

**NOW, THEREFORE, BE IT RESOLVED**, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Public Facility Maintenance District (PFMD). 18-01, Sierra Estates Subdivision Tract 925.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Corcoran held on the 14th day of June, 2022, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Patricia Nolen, Mayor

**ATTEST:**

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Marlene Spain, City Clerk

**RESOLUTION NO. 3145**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN  
INTENT TO LEVY AND COLLECT ASSESSMENTS PUBLIC FACILITY  
MAINTENANCE DISTRICT (PFMD) NO. 18-01, SUBDIVISION SIERRA ESTATES 2,  
TRACT 925, PURSUANT TO LANDSCAPE AND LIGHTING ACT OF 1972**

**WHEREAS**, the City of Corcoran formed an assessment district pursuant to the Landscaping and Lighting Act of 1972 (Section 22500 and following, Streets & Highways Code); AND

**WHEREAS**, the City Council directed the Engineer to prepare and file with the City a report in accordance with Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972.

**WHEREAS**, the City Council must conduct a public hearing to consider its intent to levy and collect assessments on said public facility maintenance district (PFMD).

**NOW, THEREFORE, BE IT RESOLVED**, that a Public Hearing shall be held on JUNE 28, 2022 to consider the intent to levy and collect assessments on Public Facility Maintenance District (PFMD). 18-01, Sierra Estates Subdivision Tract 925.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Corcoran held on the 14th day of May, 2022, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

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Patricia Nolen, Mayor

**ATTEST:**

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Marlene Spain, City Clerk

**CONSENT CALENDAR  
ITEM #: 2-I**

**MEMORANDUM**

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** June 9, 2022,

**MEETING DATE:** June 14, 2022

**SUBJECT:** Final Map review

**RECOMMENDATION:**

Staff recommends that after review City Council Approve Final Map 21-03 that was approved by the Planning Commission on June 21, 2021.

**DISCUSSION:**

In June of 2021, The Planning Commission approved Tentative Parcel Map 21-01 regarding property located at 446 6 ½ Avenue for the owner and applicant Mr. Mutahar Mana. The applicant proposed the division of one (1) lot of 1.25 acres into four (4) lots. Two (2) lots with frontage on 6 ½ Avenue and two (2) lots with frontage on Anderson Lane.

Parcel one (1) and Two (2) located on 6 ½ Avenue were proposed at 8, 150 square feet which is larger than the minimum of 6,000 square feet for the R1-6 zone. The width was proposed at 67.99 Feet which is wider than or minimum of 60 feet. And a depth of 119.87 feet which is longer than the minimum of 100 feet.

Parcel three (3) and four (4) located on Anderson lane were proposed at 14,270 square feet, 105 feet in width and 135.91 feet in depth. The General Plan designation is low density, and the proposed use is for residential units.

Final map 21-03 was submitted on August 8, 2021, and approved by the City Engineer on May 17, 2022 in full accord with the Subdivision Map Act 66434.

**Attachments:**

1. Final map 21-03
2. Planning Commission Resolution 2021-04

# PARCEL MAP NO. 21-01

## OWNER'S STATEMENT

I/WE HEREBY STATE THAT I/WE AM/ARE THE ONLY PARTIES HAVING RECORD OR INTEREST IN THE REAL PROPERTY SHOWN ON THIS PARCEL MAP AND THAT TIME I/WE AM/ARE THE ONLY PERSON(S) WHOSE CONSENT IS NECESSARY FOR THE PREPARATION AND RECORDATION OF SAID PARCEL MAP AS SHOWN WITHIN THE LINES SUBDIVISION BOUNDARY HEREON. I/WE CONSENT TO THE RECORDING OF SAID MAP AND IRREVOCABLE OF TO DEDICATE TO PUBLIC USE THAT ROAD RIGHT OF WAY SHOWN HEREON AS AN IRREVOCABLE OF DEDICATION TO THE CITY OF CORCORAN.

MUTAHAR MANA \_\_\_\_\_ DATE \_\_\_\_\_

RASHA E. SALEH \_\_\_\_\_ DATE \_\_\_\_\_

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ON THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

## NOTARY STATEMENT

STATE OF CALIFORNIA \_\_\_\_\_  
 COUNTY OF \_\_\_\_\_  
 ON \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ BEFORE ME \_\_\_\_\_

NOTARY PUBLIC, PERSONALLY APPEARED MUTAHAR MANA AND RASHA E. SALEH WHO PROVIDED TO ME ON BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/ THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S) OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FORGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL  
 SIGNATURE \_\_\_\_\_ (SFAI)  
 NAME \_\_\_\_\_

NOTARY PUBLIC, STATE OF COMMISSION NO.: \_\_\_\_\_  
 MY COMMISSION EXPIRES: \_\_\_\_\_  
 COUNTY OF PRINCIPAL PLACE OF BUSINESS \_\_\_\_\_

## RECORDER'S STATEMENT

DOCUMENT NO. \_\_\_\_\_ FEE PAID \_\_\_\_\_  
 FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021 AT \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M IN VOL. \_\_\_\_\_  
 OF OFFICIAL PARCEL MAPS, PAGE(S) \_\_\_\_\_, KINGS COUNTY RECORDS

AT THE REQUEST OF OF MUTAHAR MANA AND RASHA E. SALEH  
 KRISTINE LEE \_\_\_\_\_ DATE \_\_\_\_\_  
 COMMUNITY PLANNING DIRECTOR

## PROPERTY DESCRIPTION

THE EAST HALF OF THE EAST HALF OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 21 SOUTH, RANGE 22 EAST, ACCORDING TO THE OFFICIAL PLAT TITLED "IN THE CITY OF CORCORAN, COUNTY OF KINGS, STATE OF CALIFORNIA."

EXCEPTING THEREFROM ALL INTEREST IN AND TO ALL OIL, GAS AND OTHER HYDROCARBONS AND MINERALS NOW OR AT ANY TIME HEREAFTER SITUATE THEREIN AND THEREUNDER, TOGETHER WITH ALL EASEMENTS AND RIGHT NECESSARY OR CONVENIENT FOR THE PRODUCTION, STORAGE AND TRANSPORTATION TITLED "AND THE RIGHT TO DRILL FOR, PRODUCE, AND USE WATER REAL PROPERTY AND ALSO THE EXPLORATION AND TESTING OF THE SAID FROM THE SAID REAL PROPERTY IN CONNECTION WITH THEIR DRILLING AND MINING OPERATIONS THEREON; AS EXCEPTED AND RESERVED BY C. EVERETTE SALVER AND ELOISE E. SALVER, HUSBAND AND WIFE, IN DEED RECORDED JULY 25, 1945 IN BOOK 330 OF OFFICIAL RECORDS, PAGE 383, KINGS COUNTY RECORDS, AS DOCUMENT NO. 4450.

## SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF MUTAHAR MANA & RASHA E. SALEH ON JUNE 21, 2021, AND SAID FIELD SURVEY IS TRUE AND COMPLETE AS SHOWN, THAT THE MONUMENTS FOUND OR SET ARE OF THE CHARACTER AND IN THE LOCATIONS SHOWN HEREON, AND THAT THE EXPIRATION OF THE TERM FROM THE DATE SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE REPEATED. I HEREBY STATE THAT PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED TENTATIVE MAP.

RAFAEL D. DIVINA PCE 30011 \_\_\_\_\_ DATE \_\_\_\_\_

## CITY ENGINEER STATEMENT

I, ORHIL MUNIZ, CITY ENGINEER OF THE CITY OF CORCORAN, DO HEREBY CERTIFY THAT I HAVE EXAMINED THIS MAP, THAT THE SUBDIVISION SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATION THEREOF THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES PERTAINING TO THE SUBDIVISION MAP AND THE PUBLIC USE OF THE STREET, EASEMENTS, ACCESS RIGHTS, AS SHOWN AND INDICATED WITHIN THE BOUNDARIES OF THE SUBDIVISION SHOWN ON THIS MAP, HAVE BEEN DEFERRED UNTIL FURTHER DEVELOPMENT, OR ADEQUATE BONDS OR OTHER SUITABLE SURETIES HAVE BEEN PROVIDED.

ORFIL MUNIZ, P.E. 88165 \_\_\_\_\_  
 CITY ENGINEER, CITY OF CORCORAN

## TAX COLLECTOR'S/TREASURER'S STATEMENT

THIS IS TO CERTIFY THAT THE PROVISIONS OF ARTICLE 8 OF CHAPTER 4 GOVERNMENT CODE HAVE BEEN COMPLIED WITH REGARDING DEPOSITS.

JAMES P. EBB, C.P.A. \_\_\_\_\_ DATE \_\_\_\_\_  
 TREASURY/TAX COLLECTION DIVISION

RAFAEL D. DIVINA P.E.  
 CIVIL - STRUCTURAL - LAND SURVEYING  
 P.O. BOX 186  
 MADERA, CALIFORNIA 93637  
 (559) 681-6869

# PARCEL MAP NO. 21-01

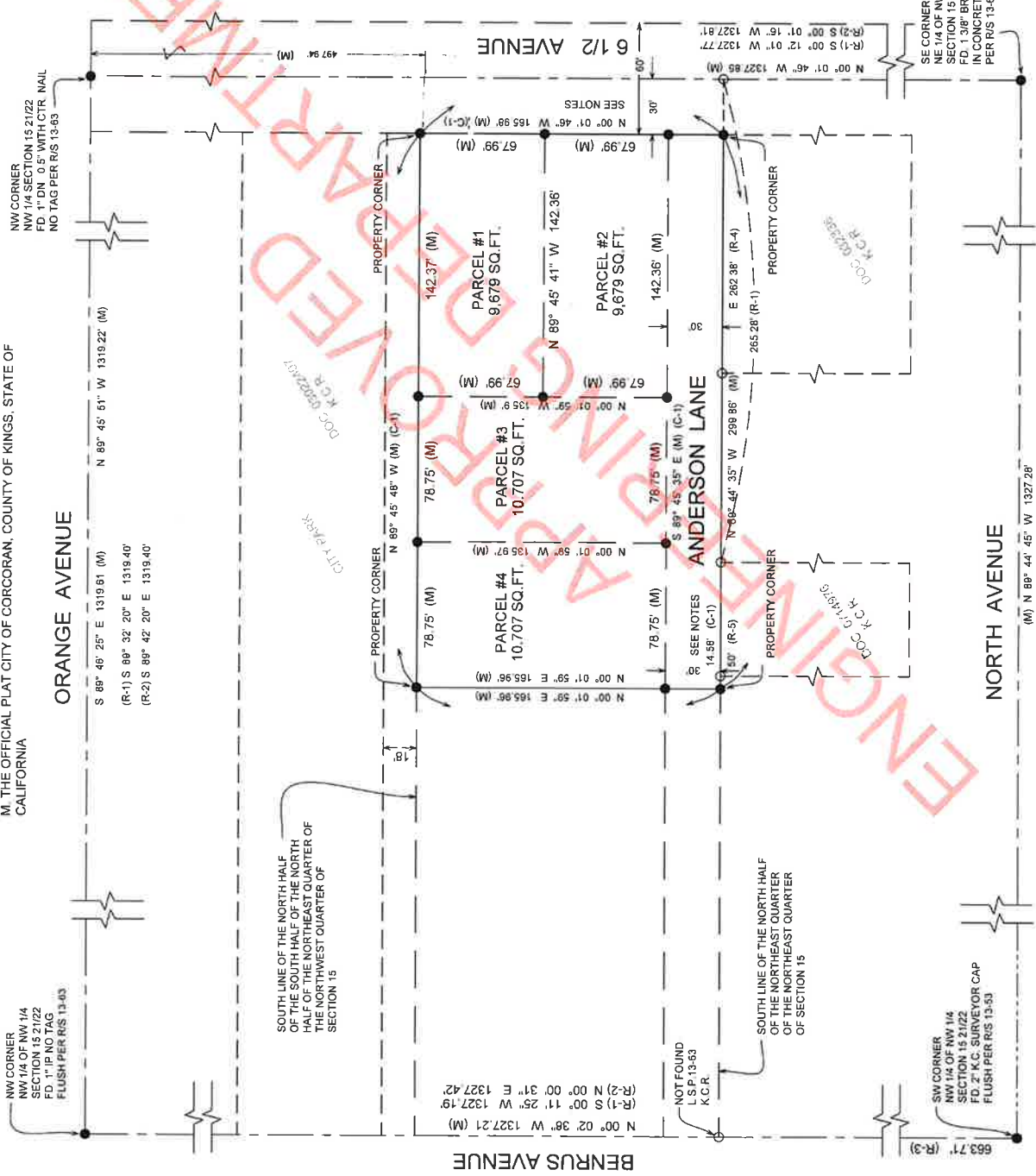
BEING A SUBDIVISION OF

THE EAST HALF OF EAST HALF OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 21 SOUTH RANGE 22 EAST M.D.B. & M. THE OFFICIAL PLAT CITY OF CORCORAN, COUNTY OF KINGS, STATE OF CALIFORNIA

- LEGEND:**
- PARCEL BOUNDARY
  - - - NEW PARCEL LINE
  - SURVEY MONUMENT (AS NOTED)
  - SET 3/4" IRON PIPE, TAGGED RCE 30011 MEASURED
  - CALCULATED
  - DIVISION POINT (NOTHING SET OR FOUND)
  - (R-1) L.S.P. VOL. 25 PG. 66 K.C.R.
  - (R-2) L.S.P. BK. 13, PG. 63 K.C.R. 17, PG. 31
  - (R-3) L.S.P. VOL. PG. 31
  - (R-4) DOC. 032336 K.C.R.
  - (R-5) DOC. 0714978 K.C.R.



SCALE 1"=40'



**NOTES:**  
AN EASEMENT FOR COUNTY HIGHWAY, PUBLIC UTILITIES AND FIGHT INCIDENTALS BK. 35, PAGE 23; BK. 419, PAGE 355; BK. 852, PAGE 231 KINGS COUNTY RECORDS

**BASIS OF BEARINGS:**

THE CENTERLINE OF NORTH AVENUE BEING THE SOUTH LINE OF THE NORTHWEST QUARTER OF SECTION 15, T. 21 S. R. 22 E. M.D.B. & M. BEARS N. 89° 44' 45" W. PER BOOK 4 OF PARCEL MAP AT PAGE 88 OFFICIAL RECORDS OF KINGS COUNTY.

**RAFAEL D. DIVINA P.E.**  
 CIVIL - STRUCTURAL - LAND SURVEYING  
 P.O. BOX 186  
 MADERA, CALIFORNIA 93637  
 (559) 681-6869

**CORCORAN CITY PLANNING COMMISSION  
RESOLUTION NO. 2021-04  
PERTAINING TO TENTATIVE PARCEL MAP 20-01**

**WHEREAS**, a Tentative Parcel Map 21-01 filed by Mutahar Mana was reviewed by the Planning Commission of the City of Corcoran; and

**WHEREAS**, this Commission considered the staff report on June 21, 2021; and

**WHEREAS**, the property is located at 446 6 1/2 Avenue, APN 034-110-045; and

**WHEREAS**, one parcel is proposed to be divided into four parcels; and

**WHEREAS**, the subject property is zoned Single Family Residential (R1-6); and

**WHEREAS**, this Commission held a public hearing and considered the staff report for Tentative Parcel Map 21-01 on June 21, 2021; and

**WHEREAS**, all affected public utility companies, various governmental department agencies and the Planning Commission have given careful consideration to this parcel map and have made recommendations thereon; and

**WHEREAS**, the project is Categorically Exempt from CEQA, Section 15315, Minor Land Divisions; and

**WHEREAS**, the Planning Commission has made the following findings for the tentative parcel map:

**PARCEL MAP**

1. The proposed parcel map meets the requirements of the Zoning Ordinance.
2. The proposed parcel map is consistent with the goals and objectives of the General Plan.
3. The property is currently in the City of Corcoran.
4. The proposed division will not be finale, and cannot be occupied, until after the Final parcel map is approved and recorded.
5. That all City infrastructure improvements be completed according to City Standards prior to the issuance of building permits or occupancy of the property

**WHEREAS**, the Planning Commission has carefully considered recommendations and testimony presented at the public hearing of June 21, 2021.

**THEREFORE, BE IT RESOLVED** that Resolution No. 2021-04, Tentative Parcel Map 21-01 be approved subject to the conditions listed in the staff report recommendations, the findings and Resolution 2021-04.

**PASSED AND ADOPTED** at a regular meeting of the Planning Commission of the City of Corcoran on June 21, 2021, by the following vote:


AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED BY:



**Karl Kassner**  
Planning Commission Chairman

ATTEST BY:




**Kevin J. Tromborg**  
Community Development Director


**CERTIFICATE**

City of Corcoran }  
County of Kings } ss.  
State of California }

I, Ma. Josephine D. Lindsey, Planning Commission Secretary of the City of Corcoran, hereby certify that this is a full, true and correct copy of Resolution No. 2021-04 duly passed by the Planning Commission of the City of Corcoran at a regular meeting thereof held on the 21<sup>st</sup> day of June, 2021, by the vote as set forth therein.

DATED: June 21, 2021

  
\_\_\_\_\_  
Ma. Josephine D. Lindsey  
Planning Commission Secretary

ATTEST:  
  
\_\_\_\_\_  
Marlene Spain, City Clerk



**CONSENT CALENDAR  
ITEM #: 2-J**

**MEMORANDUM**

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** June 9, 2022,

**MEETING DATE:** June 14, 2022

**SUBJECT:** Final Map 22-02 review, submitted by Zumwalt Hansen representing Mr. Shayne Crapo for property located at 975 Van Dorsten and 1220 Hanna Avenue APN # 030-165-012

**RECOMMENDATION:**

Staff recommends that after review City Council Approve Final Map 22-02. .

**DISCUSSION:**

On February 22, 2022, The Planning Commission approved Tentative Parcel Map 21-02 regarding property located at APN # 030-165-012, 975 Van Dorsten Avenue and 1220 Hanna Avenue for the owner Mr. Shayne Crapo. The applicant proposed the division of one (1) lot of 8,250 Square feet into two (2) lots. The current lot has Two Single Family Dwellings (SFD) that are occupied by two families. The owner wants to sell the property and each occupant wants to by the home they occupy. The current zoning classification is Downtown commercial (CD) and the General Plan Classification is commercial. SFD are a permitted use in the CD zone and unlike our residential lots, there is no minimum lot size in the CD zone.

Parcel one (1) which faces Van Dorsten Avenue was proposed at 3,450 square feet and lot two (2) facing Hanna Avenue was proposed at 4800 square feet.

Final map 22-02 was submitted on March 20, 2022, and approved by the City Engineer on May 27, 2022 in full accord with the Subdivision Map Act 66434.

**Attachments:**

1. Final map 22-02
2. Planning Commission Resolution 2021-04





**CORCORAN CITY PLANNING COMMISSION  
RESOLUTION NO. 2022-02  
PERTAINING TO  
TENTATIVE PARCEL MAP 21-02**

At a meeting of the Planning Commission of the City of Corcoran duly called and held on February 28, 2022, the Commission approved the following:

**Whereas** Shayne Crapo submitted an application regarding Tentative Parcel Map approval for lot(s) located at 975 Van Dorsten Avenue and 1220 Hanna Avenue. APN: 030-165-012; and

**Whereas** this Commission considered the staff report on February 28, 2022; and

**Whereas**, the Planning Commission has made the following findings pursuant to the City of Corcoran Zoning Ordinance and Municipal Code.

- (A) The project is categorically exempt under CEQA 15315, Minor Land Divisions.
- (B) That the site for the proposed use is adequate in size and shape to accommodate the said use and all yards, spaces, walls and fences, parking, loading, landscaping and other features required by this Title to adjust said use with land and use in the Service Commercial zone.
- (C) That the site for the proposed use relates to streets and highways adequate in width and pavement type to carry the quantity and kind of traffic generated by the proposed use.
- (D) That the proposed use will have no adverse effect upon adjoining or other properties. In making this determination, the Commission shall consider the proposed location of improvements on the site; vehicular ingress, egress and internal circulation; setbacks; heights of buildings; walls and fences; landscaping; outdoor lighting; signs; and such other characteristics as will affect surrounding property.
- (E) That the proposed use is consistent with the objectives and the policies of the Corcoran General Plan, or any specific plans, area plans, or planned development approved by the city.
- (F) That the approved Tentative Map will expire twenty-four (24) months from the approved Date. That the property owner must file for an extension of the Tentative map or file form a final map prior to the expiration date.

**IT IS THEREFORE RESOLVED** that Tentative Parcel Map 21-02 should be approved with the Conditions stated in the Staff Report and Resolution 2022-02.

AYES:

NOES:

ABSENT:

ABSTAIN:

Adopted this 28th, day of February 2022



\_\_\_\_\_  
Planning Commission Chairman




\_\_\_\_\_  
Community Development Director

**CERTIFICATE**

City of Corcoran        }  
County of Kings        } ss.  
State of California    }

I, Delfina Lupian, Planning Commission Secretary of the City of Corcoran, hereby certify that this is a full, true and correct copy of Resolution No 2022-02 duly passed by the Planning Commission of the City of Corcoran at a regular meeting thereof held on the 28th day of February 2022, by the vote as set forth therein.

DATED: February 28, 2022



\_\_\_\_\_  
Delfina Lupian  
Planning Commission Secretary

ATTEST:



\_\_\_\_\_  
Marlene Spain, City Clerk

**CONSENT CALENDAR  
ITEM #: 2-K**

**MEMORANDUM**

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** June 9, 2022,

**MEETING DATE:** June 14, 2022

**SUBJECT:** Final Map 22-01 review, submitted by Zumwalt Hansen representing New Life Tabernacle Church for property located at APN # 030-022-025 625 Soto Avenue.

**RECOMMENDATION:**

Staff recommends that after review City Council Approve Final Map 22-01

**DISCUSSION:**

On February 28, 2022, The Planning Commission approved Tentative Parcel Map 21-04 regarding property located at APN # 030-022-025, 975 625 Soto Avenue. The applicant proposed the division of one (1) lot of 48,893 Square feet into four (4) lots.

Lot 1 was proposed at 18,014 square feet 0.41 acres. Lot two (2) was proposed at 10, 293 square feet, 0.24 acres. Lot three (3) was proposed at 10, 292 square feet, 0.24 acres and lot four (4) was proposed at 10,292 square feet, 0.24 acres. Lot 2, 3, and 4 are 60 feet wide and 171.53 feet in depth. Lot one (1) 105 feet in width and 171.55 in depth. All four lots meet the minimum width, depth and square footage for the Residential R1-6 zone.

Final map 22-021 was submitted on March 31, 2022, and approved by the City Engineer on June 9, 2022 in full accord with the Subdivision Map Act 66434.

**Attachments:**

1. Final map 22-01
2. Planning Commission Resolution 2022-01

**CORCORAN CITY PLANNING COMMISSION  
RESOLUTION NO. 2022-01  
PERTAINING TO  
TENTATIVE PARCEL MAP 21-04**

At a meeting of the Planning Commission of the City of Corcoran duly called and held on February 28, 2022, the Commission approved the following:

**Whereas**, Jose Herrera, submitted an application regarding Tentative Parcel Map approval for lot(s) located at 625 Soto Avenue. APN: 030-022-02 and;

**Whereas**, this Commission considered the staff report on February 28, 2022; and

**Whereas**, the Planning Commission has made the following findings pursuant to the City of Corcoran Zoning Ordinance and Municipal Code.

(A) The project is categorically exempt under CEQA 15315, Minor Land Divisions.

(B) That the site for the proposed use is adequate in size and shape to accommodate the said use and all yards, spaces, walls and fences, parking, loading, landscaping, and other features required by this Title to adjust said use with land and use in the Residential zone.

(C) That the site for the proposed use relates to streets and highways adequate in width and pavement type to carry the quantity and kind of traffic generated by the proposed use.

(D) That the proposed use will have no adverse effect upon adjoining or other properties. In making this determination, the Commission shall consider the proposed location of improvements on the site; vehicular ingress, egress, and internal circulation; setbacks; heights of buildings; walls and fences; landscaping; outdoor lighting; signs; and such other characteristics as will affect surrounding property.

(E) That the proposed use is consistent with the objectives and the policies of the Corcoran General Plan, or any specific plans, area plans, or planned development approved by the city.

(F) That the approved Tentative Map will expire twenty-four (24) months from the approved Date. That the property owner must file for an extension of the Tentative map or file form a final map prior to the expiration date.

(G) That the property is kept clean and safe free of weeds, junk, rubbish and parked or stored Vehicles.



**IT IS THEREFORE RESOLVED** that Tentative Parcel Map 21-04 should be approved with the Conditions stated in the Staff Report and Resolution 2022-01.

AYES:

NOES:

ABSENT:

ABSTAIN:

Adopted this 28th, day of February 2022

  
\_\_\_\_\_  
Planning Commission Chairman

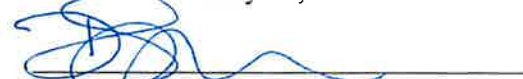
  
\_\_\_\_\_  
Community Development Director

**CERTIFICATE**

City of Corcoran        }  
County of Kings        } ss.  
State of California    }

I, Delfina Lupian, Planning Commission Secretary of the City of Corcoran, hereby certify that this is a full, true and correct copy of Resolution No 2022-01. duly passed by the Planning Commission of the City of Corcoran at a regular meeting thereof held on the 28th day of February 2022, by the vote as set forth therein.

DATED: February 28, 2022

  
\_\_\_\_\_  
Delfina Lupian  
Planning Commission Secretary

ATTEST:

  
\_\_\_\_\_  
Marlene Spain, City Clerk



# PARCEL MAP

OF A PORTION OF THE EAST HALF OF THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 15, TOWNSHIP 21 SOUTH, RANGE 12 EAST, MOUNT Diablo BASE & MERIDIAN, IN THE CITY OF CORCORAN, COUNTY OF KINGS, STATE OF CALIFORNIA.

## RECORDER'S CERTIFICATE

DOCUMENT NO. \_\_\_\_\_ FILED THIS  
 FEE \_\_\_\_\_  
 DAY OF \_\_\_\_\_, 20\_\_\_\_ AT \_\_\_\_\_ M. IN BOOK  
 OF PARCEL MAPS AT PAGE \_\_\_\_\_ OF KINGS COUNTY RECORDS AT  
 THE REQUEST OF ZUMWALT HANSEN & ASSOCIATES, INC.

**KARSTINE LEE, KINGS COUNTY RECORDER**

BY: \_\_\_\_\_  
 DEPUTY

## PLANNING COMMISSION CERTIFICATE

APPROVED BY THE CITY OF CORCORAN PLANNING COMMISSION  
 IN ACCORDANCE WITH THE REQUIREMENTS OF LAW IN DULY  
 AUTHORIZED MEETING HELD \_\_\_\_\_, 20\_\_\_\_.

DATED: \_\_\_\_\_

BY: \_\_\_\_\_  
 KEVIN J. TROMBORG, COMMUNITY DEVELOPMENT DIRECTOR

## CITY COUNCIL'S STATEMENT

THIS IS TO CERTIFY THAT A REGULAR MEETING OF THE CORCORAN CITY COUNCIL  
 HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, AN ORDER WAS DULY  
 AND REGULARLY MADE AND ENTERED APPROVING THIS MAP AND SUBDIVISION,  
 AND ACCEPTING, SUBJECT TO IMPROVEMENTS, ON BEHALF OF THE PUBLIC, ALL  
 STREETS, AND EASEMENTS INCLUDED AND WITHIN THE BOUNDARIES OF THIS MAP.

WITNESS MY HAND AND OFFICIAL SEAL OF THE CITY OF CORCORAN,  
 DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

CITY CLERK \_\_\_\_\_

## TAX COLLECTOR'S STATEMENT

THIS IS TO CERTIFY THAT THE PROVISIONS OF ARTICLE  
 8 OF CHAPTER 4 OF THIS SUBDIVISION MAP ACT HAVE  
 BEEN COMPLIED WITH REGARDING DEPOSITS.

DATE: \_\_\_\_\_

KINGS COUNTY TAX COLLECTOR \_\_\_\_\_

BY: \_\_\_\_\_



**VICINITY MAP**  
 NOT TO SCALE



## SUBDIVIDER'S STATEMENT

IN ACCORDANCE WITH SECTION 66445 (E) AND SUBJECT TO THE PROVISIONS OF SECTION 66436 OF  
 THE GOVERNMENT CODE, I, THE UNDERSIGNED, DO HEREBY STATE THAT I AM THE SUBDIVIDER  
 AND I CONSENT TO THE PREPARATION AND RECORDED OF THIS MAP.

BY: \_\_\_\_\_  
 JOSE HERRERA

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE  
 IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS  
 ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

COUNTY OF: \_\_\_\_\_ KINGS \_\_\_\_\_ ON \_\_\_\_\_  
 BEFORE ME, \_\_\_\_\_ NOTARY PUBLIC, PERSONALLY APPEARED

THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND  
 ACKNOWLEDGED TO ME THAT HE/SHE/IT/HEY EXECUTED THE SAME IN HIS/HER/IT/HER AUTHORIZED  
 CAPACITIES, AND THAT BY HIS/HER/IT/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S),  
 OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT,  
 I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT  
 THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE: \_\_\_\_\_  
 (PRINT NAME) GAY LYNN HOOPEK

MY COMMISSION NO. 2390018 MY COMMISSION EXPIRES MARCH 22, 2025 PRINCIPAL  
 OFFICE IN COUNTY OF: \_\_\_\_\_ KINGS \_\_\_\_\_



## SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD  
 SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND  
 LOCAL ORDINANCE AT THE REQUEST OF JOSE HERRERA ON AUGUST 3, 2021. I HEREBY  
 STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS  
 AS SHOWN ON THIS MAP AND THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED  
 OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

RON G. ROSEBLUIS, L.S. 8187

DATE \_\_\_\_\_

## CITY ENGINEER'S STATEMENT

I, ORPHIL MUNIZ, CITY ENGINEER OF THE CITY OF CORCORAN, DO HEREBY CERTIFY THAT I  
 HAVE EXAMINED THIS MAP THAT THE SUBDIVISION SHOWN IS SUBSTANTIALLY THE SAME  
 AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF,  
 THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES APPLICABLE  
 AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH. I FURTHER  
 STATE THAT ALL REQUIRED OFFSITE AND ONSITE IMPROVEMENTS HAVE EITHER ALREADY  
 BEEN INSTALLED, HAVE BEEN DEFERRED UNTIL FURTHER DEVELOPMENT, OR ADEQUATE  
 BONDS OR OTHER SUITABLE SURETIES HAVE BEEN PROVIDED.



ORPHIL MUNIZ, P.E. 8865  
 CITY ENGINEER, CITY OF CORCORAN

DATE \_\_\_\_\_

## CITY SURVEYOR'S STATEMENT

I, RICHARD AVILES, HEREBY STATE THAT I HAVE EXAMINED  
 THIS MAP AND TO THE BEST OF MY KNOWLEDGE AND BELIEF I  
 AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.



RICHARD AVILES, P.L.S. 9273  
 CITY SURVEYOR, CITY OF CORCORAN

DATE \_\_\_\_\_



City of  
**CORCORAN**

FOUNDED 1914

A MUNICIPAL CORPORATION

CONSENT CALENDAR  
ITEM #: 2-L

**MEMORANDUM**

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** June 9, 2022,

**MEETING DATE:** June 14, 2022

**SUBJECT:** Final Map 22-03 review, submitted by Zumwalt Hansen a QK Company representing Roger E. Daniel for property located at APN # 030-092-001 700 Otis Avenue.

**RECOMMENDATION:**

Staff recommends that after review City Council Approve Final Map 22-03

**DISCUSSION:**

On February 22, 2022, The Planning Commission approved Tentative Parcel Map 21-03 regarding property located at APN # 030-092-001, 700 Otis Avenue. The applicant proposed a lot line adjustment of the property line between lot two ( 2) and lot three (3) and dividing lot three (3) and four (4) into four (4) lots. The current zone classification is service Commercial (CS) and the General Plan designation is commercial The existing uses are a used car lot a car wash and other commercial buildings.

After the lot line adjustment between lot two (2) and three (3), lot two (2) was proposed at 25918 square feet. Lot three (3) was proposed at 15,436 square feet. The proposed four (4) lots are as follows: Parcel one (1) 28,205 square feet, parcel two (2) 29,025 square feet, parcel three (3) 14,523 square feet and parcel four (4) 15375 square feet.

Final map 22-03 was submitted on April 26, 2022, and approved by the City Engineer on June 9, 2022 in full accord with the Subdivision Map Act 66434.

**Attachments:**

1. Final map 22-03
2. Planning Commission Resolution 2022-03







**CORCORAN CITY PLANNING COMMISSION  
RESOLUTION NO. 2022-03  
PERTAINING TO  
TENTATIVE PARCEL MAP 21-03**

At a meeting of the Planning Commission of the City of Corcoran duly called and held on February 28, 2022, the Commission approved the following:

**Whereas**, Roger E. Daniel, submitted an application regarding Tentative Parcel Map approval for lot(s) located at 700, 702, 714, 716 Otis Avenue. APN: 030-092-001 and APN: 030-092-016 ; and

**Whereas**, this Commission considered the staff report on February 28, 2022; and

**Whereas**, the Planning Commission has made the following findings pursuant to the City of Corcoran Zoning Ordinance and Municipal Code.

- (A) The project is categorically exempt under CEQA 15315, Minor Land Divisions.
- (B) That the site for the proposed use is adequate in size and shape to accommodate the said use and all yards, spaces, walls and fences, parking, loading, landscaping and other features required by this Title to adjust said use with land and use in the Service Commercial zone.
- (C) That the site for the proposed use relates to streets and highways adequate in width and pavement type to carry the quantity and kind of traffic generated by the proposed use.
- (D) That the proposed use will have no adverse effect upon adjoining or other properties. In making this determination, the Commission shall consider the proposed location of improvements on the site; vehicular ingress, egress and internal circulation; setbacks; heights of buildings; walls and fences; landscaping; outdoor lighting; signs; and such other characteristics as will affect surrounding property;
- (E) That the proposed use is consistent with the objectives and the policies of the Corcoran General Plan, or any specific plans, area plans, or planned development approved by the city.
- (F) That the approved Tentative Map will expire twenty four (24) months from the approved Date. That the property owner must file for an extension of the Tentative map or file form a final map prior to the expiration date.

**IT IS THEREFORE RESOLVED** that Tentative Parcel Map 21-03 should be approved with the Conditions stated in the Staff Report and Resolution 2022-03.

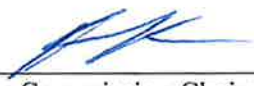
AYES:

NOES:

ABSENT:

ABSTAIN:

Adopted this 28th, day of February 2022

  
\_\_\_\_\_  
Planning Commission Chairman

  
\_\_\_\_\_  
Community Development Director

**CERTIFICATE**

City of Corcoran        }  
County of Kings        } ss.  
State of California    }

I, Delfina Lupian, Planning Commission Secretary of the City of Corcoran, hereby certify that this is a full, true and correct copy of Resolution No 2022-03 duly passed by the Planning Commission of the City of Corcoran at a regular meeting thereof held on the 28th day of February 2022, by the vote as set forth therein.

DATED: February 28, 2022

  
\_\_\_\_\_  
Delfina Lupian  
Planning Commission Secretary

ATTEST:  
  
\_\_\_\_\_  
Marlene Spain, City Clerk

# Accounts Payable

## Blanket Voucher Approval Document



User: spineda  
 Printed: 05/26/2022 - 9:58AM  
 Warrant Request Date: 5/26/2022  
 DAC Fund:

Batch: 00523.05.2022 - Wrmt Rgstr 6/14/22 FY2022

Line	Claimant	Amount
1	AARDVARK Tactical Inc	7,532.60
2	American Office Solutions, LLC	308.00
3	American Office Solutions, LLC	4,292.57
4	American Office Solutions, LLC	255.52
5	Asphalt Technology Inc.	7,750.00
6	BSK Associates	1,782.25
7	Business Card- Bank of America Credit Cards	25,066.55
8	C. A. Reding Company, Inc	52.37
9	Cannon Financial Services, Inc.	1,981.21
10	City of Avenal	9,765.80
11	City of Corcoran	584.24
12	COBAN Technologies	2,000.00
13	Data Ticket Inc	493.96
14	Doctors Occupational Testing Solutions	130.00
15	Galindo Farms Discing	200.00
16	Kiwanis Club of Corcoran	200.00
17	League of California Cities	229.08
18	PG&E	517.56
19	PG&E	43.17
20	ProForce Law Enforcement	6,169.03
21	Prudential Overall Supply	638.84
22	Public Interest Law Foundation	12,314.89
23	Radius Tire Co.	137.84
24	S & R Specialty Equipment	71.01
25	Sawtelle & Rosprim Hardware, Inc.	369.90
26	Sawtelle Rosprim Machine Shop	1,407.84
27	Shyam Bhaskar, MD	385.00
28	Simplot Grower Solutions	910.18
29	Target Specialty Products	1,041.13
30	The Gas Company	51.62
31	The Gas Company	15.39
32	The Gas Company	252.56
33	The Gas Company	34.50
34	The Printer	104.46
35	The Spray Company, LLC	1,440.00
36	Tulare County Jail-Industries Engraving Program	188.56
37	Turnupseed Electric Svc Inc	2,888.13
38	US Bank Equipment Finance	237.22
39	Valerie Bega	493.00
40	Verizon Wireless	935.41
41	Verizon Wireless	1,171.69



Page Total: \$0.00

Grand Total: \$94,443.08

Page Total: \$0.00

# Accounts Payable Voucher Approval List



User: spineda  
 Printed: 05/26/2022 - 10:03AM  
 Batch: 00523.05.2022 - Wmt Restr 6/14/22 FY2022

Warrant Date	Vendor	Description	Account Number	Amount
5/26/2022	AARDVARK Tactical Inc	SWAT TACTICAL VESTS	114-414-300-210	7,532.60
5/26/2022	American Office Solutions, LLC	EMAIL SET UP FOR NEW PD EMPLOYEES	104-432-300-201	218.00
5/26/2022	American Office Solutions, LLC	ADD EMAIL SERVICE	104-431-300-200	90.00
5/26/2022	American Office Solutions, LLC	NEW SERVER	104-421-300-181	4,292.57
5/26/2022	American Office Solutions, LLC	FORTINET WIRELESS	104-421-300-181	255.52
5/26/2022	Asphalt Technology Inc.	STREETS RECONSTRUCTION AT HUME LAKE AVE	109-434-300-213	7,750.00
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC & NITRATE	105-437-300-200	49.75
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC & NITRATE	105-437-300-200	74.25
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC & NITRATE	105-437-300-200	99.50
5/26/2022	BSK Associates	QUANTI TRAY TOTAL COLIFORM & E COLI	105-437-300-200	186.75
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	74.25
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	116.00
5/26/2022	BSK Associates	QUANTI TRAY TOTAL COLIFORM & ECOLI	105-437-300-200	186.75
5/26/2022	BSK Associates	LEAD & COPPER RULE	105-437-300-200	35.50
5/26/2022	BSK Associates	QUANTI TRAY THMS AND TOTAL HALOACETIC ACIDS	105-437-300-200	581.75
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	99.50
5/26/2022	BSK Associates	QUANTI TRAY ARSENIC NITRATE	105-437-300-200	74.25
5/26/2022	BSK Associates	PLANT INF/EFF LAGOON	120-435-300-200	204.00
5/26/2022	Business Card- Bank of America Credit Cards	CANCELLED DKF SOLUTIONS 4/20 ELECTRICAL TRAINING	109-434-300-270	-370.00
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON DELL MONITOR VIDEO CARD	120-435-300-140	83.03
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON PARTS FOR LIGHT ON UNT 291	120-435-300-260	31.95
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON PARTS FOR LIGHT ON UNT 292	104-412-300-260	31.95
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON TRAILER TOW HITCH	104-412-300-260	291.19
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON SAFETY VEST	104-412-300-210	10.81
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON TRAILER HITCH LOCK	104-412-300-260	21.64
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON DIAPHRAM COMPRESSOR VACUUM FOR SEWER S.	120-435-300-140	1,114.21
5/26/2022	Business Card- Bank of America Credit Cards	DKFSOLUTIONS 4/20 ELECTRICAL TRAINING	109-434-300-270	370.00
5/26/2022	Business Card- Bank of America Credit Cards	WATERWISE PRO. D-3 EXAM REVIEW A CHAVEZ	105-437-300-270	300.00
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON TRAILER TOW HITCH UNIT 292	104-412-300-260	21.64
5/26/2022	Business Card- Bank of America Credit Cards	WEF.ORG RENEWAL MEMBERSHIP FOR A CHAVEZ	120-435-300-170	267.00
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON SPEAKERS FOR SHOP COMPUTER	104-433-300-210	19.37
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON MEMORY CARD FOR DRONE	104-412-300-210	37.88
5/26/2022	Business Card- Bank of America Credit Cards	PBM SUPPLY & MFG SPRAY BOOM COVER	105-437-300-140	625.37
5/26/2022	Business Card- Bank of America Credit Cards	STROBESNMORE LIGHTS FOR UNIT 203	109-434-300-210	238.37

5/26/2022	Business Card- Bank of America Credit Cards	CWEA RENEWAL MEMBERSHIP FOR M CHAVEZ	120-435-300-170	91.00
5/26/2022	Business Card- Bank of America Credit Cards	HARVEYS LAKE TAHOE HOTEL STAY FOR E BOYEIT	105-437-300-270	327.05
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON TRAILER BUMPERS UNIT 269	104-412-300-260	10.55
5/26/2022	Business Card- Bank of America Credit Cards	PUBLIC UTILITIES & WATERWORKS TRAINING A SIERRA	109-434-300-270	499.00
5/26/2022	Business Card- Bank of America Credit Cards	VENT MASTERS VENT FOR WWTP	120-435-300-210	194.71
5/26/2022	Business Card- Bank of America Credit Cards	J&E RESTAURANT SUPPLY Y: 2 WARMING TRAYS	104-432-320-210	52.00
5/26/2022	Business Card- Bank of America Credit Cards	HARVEYS LAKE TAHOE: HOTEL STAY FOR D ARREDONDO	105-437-300-270	447.94
5/26/2022	Business Card- Bank of America Credit Cards	AMAZON HOMELESS VANDALISM LOCKS	104-412-300-210	0.74
5/26/2022	Business Card- Bank of America Credit Cards	COSTLESS: COFFEE SUPPLY BREAKROOM	104-431-300-210	23.23
5/26/2022	Business Card- Bank of America Credit Cards	KC RECORDER/RECONVEYANCE	104-406-300-170	3.00
5/26/2022	Business Card- Bank of America Credit Cards	FUEL/FORD FUSION	104-406-300-250	75.05
5/26/2022	Business Card- Bank of America Credit Cards	2018 PERMIT TCH STDY CAMPANION-DL/2018 IBC STDY CAM	104-406-300-270	187.27
5/26/2022	Business Card- Bank of America Credit Cards	MARRIOTT HOTEL STAY FOR CAL/ACT VB	145-410-300-270	722.26
5/26/2022	Business Card- Bank of America Credit Cards	FUEL FOR PD UNIT	104-421-300-250	152.73
5/26/2022	Business Card- Bank of America Credit Cards	TKTS- TENN. REVIEW VETS MEM -GREG, JOE, KEVIN,NOLEN,	198-475-300-200	7,038.99
5/26/2022	Business Card- Bank of America Credit Cards	LUNCH MEETING FOR READING HEARTS	104-401-300-271	101.50
5/26/2022	Business Card- Bank of America Credit Cards	HOTEL J FAULKNER	105-437-300-270	991.54
5/26/2022	Business Card- Bank of America Credit Cards	ADOBE ACROBAT	104-431-300-200	12.99
5/26/2022	Business Card- Bank of America Credit Cards	PD BLOWERS: SHIPPING CHARGE	120-435-300-140	63.92
5/26/2022	Business Card- Bank of America Credit Cards	SJVU FEES	120-435-300-170	1,023.90
5/26/2022	Business Card- Bank of America Credit Cards	S&S SHIRTS-30 HATS PURCHASED	105-437-200-125	524.70
5/26/2022	Business Card- Bank of America Credit Cards	S&S SHIRTS-10 HATS PURCHASED	104-433-200-125	178.30
5/26/2022	Business Card- Bank of America Credit Cards	S&S SHIRTS-6 HAT PURCHASED	104-431-200-125	103.92
5/26/2022	Business Card- Bank of America Credit Cards	S&S SHIRTS-20 HATS PURCHASED	109-434-200-125	351.50
5/26/2022	Business Card- Bank of America Credit Cards	SUPPLIES FOR CITY MANAGER DEPT	104-402-300-210	14.06
5/26/2022	Business Card- Bank of America Credit Cards	SUPPLIES FOR COM DEV DEPT	104-406-300-210	129.88
5/26/2022	Business Card- Bank of America Credit Cards	SUPPLIES FOR CITY MANAGER DEPT	104-402-300-210	143.34
5/26/2022	Business Card- Bank of America Credit Cards	SUPPLIES FOR CITY MANAGER DEPT	104-401-300-210	4.97
5/26/2022	Business Card- Bank of America Credit Cards	CITY CLERK TRAINING-MODESTO	104-402-300-270	200.00
5/26/2022	Business Card- Bank of America Credit Cards	SUPPLIES FOR CITY MANAGER DEPT	104-402-300-210	76.84
5/26/2022	Business Card- Bank of America Credit Cards	POINTER FOR COUNCIL CHAMBERS	104-401-300-210	35.71
5/26/2022	Business Card- Bank of America Credit Cards	GRAND JURY MEETING LUNCH TOUR *	104-401-300-271	84.81
5/26/2022	Business Card- Bank of America Credit Cards	GRAND JURY MEETING LUNCH TOUR	104-401-300-271	12.99
5/26/2022	Business Card- Bank of America Credit Cards	GRAND JURY MEETING LUNCH TOUR	104-405-300-150	16.38
5/26/2022	Business Card- Bank of America Credit Cards	OFFICE SUPPLIES	104-421-300-150	637.88
5/26/2022	Business Card- Bank of America Credit Cards	INTERNET SVC ACCT#8155500400041872	104-432-300-220	586.93
5/26/2022	Business Card- Bank of America Credit Cards	INTERNET SVC ACCT#8155500400041872	120-435-300-220	521.55
5/26/2022	Business Card- Bank of America Credit Cards	EARLTHLINK	104-401-300-157	34.95
5/26/2022	Business Card- Bank of America Credit Cards	CPOA	104-405-300-200	190.00
5/26/2022	Business Card- Bank of America Credit Cards	CARON MONOXIDE	104-405-300-200	71.42
5/26/2022	Business Card- Bank of America Credit Cards	HOTEL TRAINING	104-421-300-270	657.90
5/26/2022	Business Card- Bank of America Credit Cards	SCANNER	104-421-300-210	520.67
5/26/2022	Business Card- Bank of America Credit Cards	HOTEL EVIDENCE RETRIVAL	104-421-300-270	176.60
5/26/2022	Business Card- Bank of America Credit Cards	HOTEL EVIDENCE RETRIVAL	104-421-300-270	183.30

5/26/2022	Business Card- Bank of America Credit Cards HOTEL EVIDENCE RETRIVAL	104-421-300-270	183.30
5/26/2022	Business Card- Bank of America Credit Cards TOLL FEES	104-421-300-270	7.00
5/26/2022	Business Card- Bank of America Credit Cards TOLL FEES	104-421-300-270	25.50
5/26/2022	Business Card- Bank of America Credit Cards EVIDENCE STORAGE BOXES	104-421-300-210	37.35
5/26/2022	Business Card- Bank of America Credit Cards PLATES	104-421-300-150	47.62
5/26/2022	Business Card- Bank of America Credit Cards HEAD PHONES REPORT WRITING	104-421-300-210	34.63
5/26/2022	Business Card- Bank of America Credit Cards BOWLS	104-421-300-150	12.87
5/26/2022	Business Card- Bank of America Credit Cards EVIDENCE STORAGE BOXES	104-421-300-210	60.04
5/26/2022	Business Card- Bank of America Credit Cards PENS	104-421-300-150	42.52
5/26/2022	Business Card- Bank of America Credit Cards OFFICE SUPPLIES	104-421-300-150	58.50
5/26/2022	Business Card- Bank of America Credit Cards UNIFORM PATCHES	104-421-300-230	467.50
5/26/2022	Business Card- Bank of America Credit Cards PENS	104-421-300-150	18.09
5/26/2022	Business Card- Bank of America Credit Cards TONER	104-421-300-150	184.66
5/26/2022	Business Card- Bank of America Credit Cards PAPER	104-421-300-150	35.71
5/26/2022	Business Card- Bank of America Credit Cards COFFEE	104-421-300-150	50.34
5/26/2022	Business Card- Bank of America Credit Cards POSTAGE	104-432-300-152	48.05
5/26/2022	Business Card- Bank of America Credit Cards TONER	104-421-300-150	185.47
5/26/2022	Business Card- Bank of America Credit Cards HOTEL TRAINING	104-421-300-270	779.52
5/26/2022	Business Card- Bank of America Credit Cards CABINET	104-421-300-150	97.31
5/26/2022	Business Card- Bank of America Credit Cards BATTERIES	104-421-300-150	61.68
5/26/2022	Business Card- Bank of America Credit Cards BATTERIES	104-421-300-150	29.22
5/26/2022	Business Card- Bank of America Credit Cards BINDERS	104-421-300-150	110.72
5/26/2022	Business Card- Bank of America Credit Cards TISSUE	104-432-300-150	27.04
5/26/2022	Business Card- Bank of America Credit Cards FORKS	104-421-300-150	31.58
5/26/2022	Business Card- Bank of America Credit Cards POSTAGE	104-432-300-152	24.85
5/26/2022	Business Card- Bank of America Credit Cards WHITE BOARD	104-421-300-210	80.92
5/26/2022	Business Card- Bank of America Credit Cards HOTEL TRAINING	104-421-300-270	530.36
5/26/2022	Business Card- Bank of America Credit Cards MOUSE PAD	104-421-300-150	10.81
5/26/2022	Business Card- Bank of America Credit Cards HOTEL TRAINING	104-421-300-270	998.97
5/26/2022	Business Card- Bank of America Credit Cards BACKGROUN REPORTING	104-421-300-210	150.00
5/26/2022	Business Card- Bank of America Credit Cards LYSOL	104-421-300-150	42.04
5/26/2022	C. A. Reding Company, Inc DEPOT COPIER APRIL AND MAY 2022	145-410-300-180	52.37
5/26/2022	Cannon Financial Services, Inc. B/W & COLOR METER USAGE-QTR BILLING FEB THRU APRIL	104-432-300-180	1,254.35
5/26/2022	Cannon Financial Services, Inc. B/W & COLOR-QTR BILLING FEB THRU APRIL 2022.& CONTRA	104-421-300-180	281.43
5/26/2022	Cannon Financial Services, Inc. CONTRACT CHARGE MAY 2022	104-432-300-180	445.43
5/26/2022	City of Avenal SERVICE CONTRACT MARCH 2022	104-421-300-203	4,662.90
5/26/2022	City of Avenal DOGS EUTHANIZED	104-421-300-203	80.00
5/26/2022	City of Avenal SERVICE CONTRACT APRIL 2022	104-421-300-203	4,662.90
5/26/2022	City of Avenal DOGS EUTHANIZED	104-421-300-203	120.00
5/26/2022	City of Avenal CATS EUTHANIZED	104-421-300-203	240.00
5/26/2022	City of Corcoran CALENDER FOR SRN REIMB	104-405-300-200	22.93
5/26/2022	City of Corcoran POSTAGE	104-432-300-152	1.34
5/26/2022	City of Corcoran PER DIEM P NOLEN TENN TRIP TO REVIEW VETS MEMORIAL	198-475-300-200	67.33
5/26/2022	City of Corcoran PER DIEM COELHO-CTO TRAINING	104-421-300-270	248.00

5/26/2022	City of Corcoran	PER DIEM MCALISTER FTO UPDATE	104-421-300-270	36.00
5/26/2022	City of Corcoran	INMATE MEAL	104-421-300-148	8.64
5/26/2022	City of Corcoran	FOWLERS ENFORCERS	104-421-300-154	200.00
5/26/2022	COBAN Technologies	YEARLY SERVICE JUNE 2023	104-421-300-200	2,000.00
5/26/2022	Data Ticket Inc	CODE ENFORC CITATION PROCESSING FOR APRIL 2022	104-406-300-200	493.96
5/26/2022	Doctors Occupational Testing Solutions	RANDOM DRUG TEST FOR PHILIP MCBRIDE	104-412-300-200	65.00
5/26/2022	Doctors Occupational Testing Solutions	RANDOM DRUG TEST FOR CHRISTIAN ESPINOZA	120-435-300-200	65.00
5/26/2022	Galindo Farms Discing	1007 SHERMAN AVE ALLEY CLEAN UP	301-430-300-200	200.00
5/26/2022	Kiwanis Club of Corcoran	REFUND VETS HALL DEPOSIT	104-000-362-085	200.00
5/26/2022	League of California Cities	SOUTH SAN JOAQUIN MEMBERSHIP DUES	104-401-300-170	229.08
5/26/2022	PG&E	ACCT#10561736330	301-430-300-316	43.17
5/26/2022	PG&E	ACCT#3357250173-3	104-432-300-240	517.56
5/26/2022	ProForce Law Enforcement	SIG SLX	104-421-300-210	1,829.79
5/26/2022	ProForce Law Enforcement	SIG LE MCX	104-421-300-210	3,345.77
5/26/2022	ProForce Law Enforcement	SIG MAG	104-421-300-210	993.47
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	145-410-300-200	68.36
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	136-415-300-200	49.71
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-300-200	216.89
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-300-200	61.13
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-320-200	31.63
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-433-300-200	24.00
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	120-435-300-200	68.36
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	105-437-300-200	72.88
5/26/2022	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-433-300-200	45.88
5/26/2022	Public Interest Law Foundation	GEN ADMIN EXPENSES	104-403-300-200	2,981.45
5/26/2022	Public Interest Law Foundation	COM DEV	104-403-300-200	163.50
5/26/2022	Public Interest Law Foundation	POLICE DEPT	104-403-300-200	1,714.50
5/26/2022	Public Interest Law Foundation	PUBLIC WORKS	105-437-300-200	7,297.50
5/26/2022	Public Interest Law Foundation	CURTIMADE	105-437-300-200	157.94
5/26/2022	Radius Tire Co.	TIRE REPAIR 152	109-434-300-260	25.00
5/26/2022	Radius Tire Co.	TIRE REPAIR 250	105-437-300-260	25.00
5/26/2022	Radius Tire Co.	TIRE REPAIR 184	105-437-300-260	87.84
5/26/2022	S & R Specialty Equipment	SPRAY RIG MAINT	105-437-300-140	71.01
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WTP NUTS/LOCKWASHERS	105-437-300-140	0.79
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WWTP METAL HOLES/SHAW FOR REPAIRS	120-435-300-140	95.78
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WWTP GLOVES, SAFETY GLASSES	120-435-300-140	45.28
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WWTP GLOVES	120-435-300-140	57.81
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WWTP GLOVES, SPRAY CANS	120-435-300-140	86.70
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WTP CLEANING SUPPLIES	105-437-300-210	61.91
5/26/2022	Sawtelle & Rosprim Hardware, Inc.	WWTP HOSE, HOSE CLAMP	120-435-300-140	21.63
5/26/2022	Sawtelle Rosprim Machine Shop	RECIRCULATION PUMP REPAIR	120-435-300-140	1,338.83
5/26/2022	Sawtelle Rosprim Machine Shop	RESURP PUMP	120-435-300-140	69.01
5/26/2022	Shyam Bhaskar, MD	PRE EMPLOYMENT PHYSICAL FOR SAMANTHA FRANCO	104-421-300-200	120.00
5/26/2022	Shyam Bhaskar, MD	TB TEST FOR SAMANTHA FRANCO	104-421-300-200	25.00

5/26/2022	Shyam Bhaskar, MD	PREEMPLOYMENT PHYSICAL FOR KASSAUNDR PEREZ	104-421-300-200	120.00
5/26/2022	Shyam Bhaskar, MD	PREEMPLOYMENT PHYSICAL FOR FRANCIS URIAS	104-421-300-200	120.00
5/26/2022	Simplet Grower Solutions	PISTACHIO FARMING CHEMICALS	139-450-300-210	910.18
5/26/2022	Target Specialty Products	PARKS DEPT SUPPLIES	104-412-300-210	1,041.13
5/26/2022	The Gas Company	ACCT#11971525008	104-432-300-242	252.56
5/26/2022	The Gas Company	ACCT#00888349024	145-410-300-242	34.50
5/26/2022	The Gas Company	ACCT#12602978541	104-432-300-242	15.39
5/26/2022	The Gas Company	ACCT#063015247005	120-435-300-242	51.62
5/26/2022	The Printer	BOOK MARKERS	104-421-300-155	104.46
5/26/2022	The Spray Company, LLC	PISTACHIO FARMING SPRAYED	139-450-300-210	1,440.00
5/26/2022	Tulare County Jail-Industries Engraving Progr	IR POLICE STICKERS	104-421-300-299	188.56
5/26/2022	Turnpseed Electric Svc Inc	SEWER STATION #7 REPL MOTOR STARTER	120-435-300-140	2,888.13
5/26/2022	US Bank Equipment Finance	PW COPIER LEASE	109-434-300-180	237.22
5/26/2022	Valerie Bega	TRANSIT STATE OF GOOD REPAIR CONFERENCE 6/27-6/30/20	145-410-300-270	493.00
5/26/2022	Verizon Wireless	CELL PHN SVC	145-410-300-220	136.30
5/26/2022	Verizon Wireless	WIRELESS AIRCARD	145-410-300-220	38.01
5/26/2022	Verizon Wireless	BUS AIR CARDS X6	145-410-300-220	228.08
5/26/2022	Verizon Wireless	CAMERA 1	145-410-300-220	38.01
5/26/2022	Verizon Wireless	ON CALL CELL PHONE SVC	105-437-300-220	3.05
5/26/2022	Verizon Wireless	WIRELESS AIRCARDS	105-437-300-220	76.02
5/26/2022	Verizon Wireless	CELL PHN SVC RICK ADAMS	104-433-300-200	0.47
5/26/2022	Verizon Wireless	CELL PHN SVC JOE FAULKER	104-431-300-200	2.08
5/26/2022	Verizon Wireless	WIRELESS AIRCARDS	104-431-300-200	38.01
5/26/2022	Verizon Wireless	CAMERA 2 GATEWAY PARK	104-412-300-200	38.01
5/26/2022	Verizon Wireless	CELL PHN SVC	104-406-300-220	119.28
5/26/2022	Verizon Wireless	AIR CARDS X2	104-406-300-220	76.02
5/26/2022	Verizon Wireless	MOBILE MIFI HOTSPOT	104-431-300-200	38.01
5/26/2022	Verizon Wireless	CELL PHN SVC L MUSTAIN	104-405-300-200	26.36
5/26/2022	Verizon Wireless	CELL PHN SVC M SPAIN	104-402-300-200	26.08
5/26/2022	Verizon Wireless	CELL PHN SVC G GATZKA	104-402-300-200	51.62
5/26/2022	Verizon Wireless	CELL PHONE SVC MAY 2022	104-421-300-221	1,171.69
				†
				94,443.08
				Warrant Total:



City of

# CORCORAN

FOUNDED 1914

A MUNICIPAL CORPORATION

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**PRESENTATION  
ITEM #: 4-A**

## MEMORANDUM

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg: Community Development Director  
Planner, Building Official, Transit Director

**SUBJECT: Transit Triennial Performance Audits**

**DATE:** May 16, 2022

**MEETING DATE:** June 14, 2022

**RECOMMENDATION: Presentation and Information only, no action required.**

**DISCUSSION:** State law requires all Transit agencies that receive TDA, LTF, and STA funding to undergo performance audits every three (3) years. KCAG, KART and CAT jointly agreed to appoint Moore and Associates to once again perform the audits. With us today from Moore and Associates is Kathy Chambers to present and explain the audit report.

**BUDGET IMPACT: N/A**



# City of Corcoran

**FY 2018/19 – FY 2020/21**

**TDA Triennial Performance Audit**

May 24, 2022



## What is a Triennial Performance Audit?

- California PUC requires all transit operators receiving TDA funding (LTF and STA) as well as Regional Transportation Planning Agencies to undergo a triennial performance audit of their activities

## Audit Process

- Data collection
- Data/compliance review
- Site visit/functional review (conducted virtually)
- Reporting
- Presentations

KCAG will then submit the RTPA audit to Caltrans and the State Controller along with a letter certifying that it has completed the operator audits

## Operator Compliance Elements

- Submittal of annual fiscal audits and reports to the State Controller's Office
- Satisfactory CHP terminal ratings
- Compliance with RTPA rules for submitting TDA claims
- Compliance with farebox recovery ratio or other alternative performance criteria requirements
- No increase in budget over the preceding year beyond 15% without reasonable substantiation
- Use of TDA definitions of key performance indicators
- Fully funded retirement system
- Proper use of State Transit Assistance funds

## Findings & Recommendations

- Compliance finding: TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the extended deadline
  - Recommendation: Continue to work with the City's TDA fiscal auditors to ensure on-time completion by March 31
- Functional finding: While the Transit website has been improved, there are still some minor issues that should be resolved (e.g., page nesting issue, missing information regarding General Handicap eligibility)
  - Recommendation: Continue to modify the Transit webpage to improve usability and access to information

## Findings & Recommendations

- Functional finding: The farebox recovery ratio in the TDA fiscal audit does not itemize exemptions
  - Recommendation: Work with the City's TDA auditors to itemize costs that are excluded or exempted from operating cost, as well as revenues that are used to supplement fare revenues, in the farebox recovery ratio calculation
- Functional finding: The City continues to suffer from a lack of qualified drivers, which can impact service delivery
  - Recommendation: Identify and implement strategies to recruit and retain qualified drivers

## Moving Forward

- There have been a number of exemptions and waivers of penalties due to the COVID-19 pandemic (AB 90 and AB 149) – mostly through FY 2022/23
- The definition of “local supplementation” has been expanded to include any non-state grant funds or revenues
- Additional exclusions from operating cost used in calculating the farebox recovery ratio include certain expenses related to microtransit, ticketing systems, security, pension contributions, service planning, and transition to zero-emission vehicles



# Questions?

**Moore & Associates, Inc.**

**Kathy Chambers, Project Manager**

**661.253.1277**

**[kathy@moore-associates.net](mailto:kathy@moore-associates.net)**







Kings County Association of Governments

# Triennial Performance Audit of the City of Corcoran FY 2018/19 - FY 2020/21

FINAL REPORT  
APRIL 2022





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## Chapter 1 | Executive Summary

In 2021, the Kings County Association of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Corcoran as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the City of Corcoran's public transit program for the period:

- Fiscal Year 2018/19,
- Fiscal Year 2019/20, and
- Fiscal Year 2020/21.

The City of Corcoran operates Corcoran Area Transit, a Dial-A-Ride service. The service operates within the Corcoran city limits and fringe area as an origin to destination service. The City also owns and operates the Corcoran Depot, which opened in 1999 and houses all dispatching and office administration. While the Corcoran Depot is not an official Amtrak Depot, it is available to Amtrak passengers and Kings Area Rural Transit (KART) passengers along with Corcoran Area Transit (CAT) passengers.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates, Inc. believes the evidence obtained provides a reasonable basis for its findings and conclusions.

This audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Prior recommendations,



- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

#### Test of Compliance

Based on discussions with City of Corcoran staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the established deadline and allowable extension.

#### Status of Prior Recommendations

The prior audit – completed in May 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included eight recommendations:

1. Ensure the State Controller Report is submitted by January 31 following the end of the fiscal year.  
**Status: Implemented.**
2. Work with the TDA fiscal auditor and the City's auditor to ensure the TDA fiscal audit can be completed by 180 days past the end of the fiscal year or within a 90-day extension.  
**Status: Implemented.**
3. Explore opportunities for additional local funds that can be used to supplement the farebox recovery ratio.  
**Status: No longer relevant.**
4. Use the TDA definition of FTE for reporting to the State Controller.  
**Status: Implemented.**
5. Work with the fiscal auditor and KCAG regarding what funds may be excluded from the operating costs for the farebox recovery ratio calculation and ensure all costs are identified and itemized in the TDA audit.  
**Status: Not implemented.**
6. Develop and implement a transit marketing plan, including development of a service brochure.  
**Status: Implementation in progress.**
7. Revise the City's Transit webpage to more effectively present information.  
**Status: Implemented.**
8. Develop strategy to provide effective coverage when regular drivers are unavailable.  
**Status: Implementation in progress.**



**Findings and Recommendations**

Based on discussions with City staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance finding for the City of Corcoran.

The audit team has also identified three functional findings. While these findings are not compliance related, the auditors believe they are significant enough to warrant inclusion herein:

1. While the City’s Transit website has been improved, there are still some minor issues that should be resolved.
2. The farebox recovery ratio calculation in the TDA fiscal audit does not itemize exclusions or exemptions.
3. The City continues to experience a shortage of qualified drivers, which can impact service delivery.

In completing this Triennial Performance Audit, the auditors submit the following recommendations for City of Corcoran’s public transit program. They have been divided into two categories: TDA Program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the triennial audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to work with the City’s TDA fiscal auditors to ensure on-time completion by the extended deadline.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Continue to enhance the Transit webpage to improve usability and access to information.	Low	FY 2021/22
2	Work with the City’s TDA auditors to itemize costs that are excluded or exempted from operating cost, as well as revenues that are used to supplement fare revenues, in the farebox recovery ratio calculation.	High	FY 2021/22
3	Identify and implement strategies to recruit and retain qualified drivers.	High	Ongoing





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## Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Corcoran's public transit program covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2021, the Kings County Association of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc. followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Corcoran as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. The auditors believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

### Objectives

A Triennial Performance Audit (TPA) has four primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Evaluate the efficiency and effectiveness of the transit operator; and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.



### Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the City of Corcoran (Corcoran Area Transit) included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. A review of the status of recommendations included in the prior Triennial Performance Audit.
3. A verification of the methodology for calculating performance indicators including the following activities:
  - Assessment of internal controls,
  - Test of data collection methods,
  - Calculation of performance indicators, and
  - Evaluation of performance.
4. Comparison of data reporting practices:
  - Internal reports,
  - State Controller Reports, and
  - National Transit Database.
5. Examination of the following functions:
  - General management and organization;
  - Service planning;
  - Scheduling, dispatching, and operations;
  - Personnel management and training;
  - Administration;
  - Marketing and public information; and
  - Fleet maintenance.
6. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

### Methodology

The methodology for the Triennial Performance Audit of the City of Corcoran included a thorough review of documents relevant to the scope of the audit, as well as information contained on the City's Transit website. The documents reviewed included the following (spanning the full three-year period):

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;
- National Transit Database reports;



- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with City of Corcoran representatives on November 16, 2021. The audit team met with Valerie Bega (Transit Coordinator) and Kevin Tromborg (Community Development Director/City Planner); and reviewed materials germane to the triennial audit.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
  - Compliance with statutory and regulatory requirements,
  - Status of prior recommendations,
  - Consistency among reported data,
  - Performance measures and trends,
  - Functional audit, and
  - Findings and recommendations.



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## Chapter 3 | Program Compliance

This section examines the City of Corcoran's compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The City of Corcoran considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Status of compliance items was determined through discussions with City staff as well as an inspection of relevant documents including the fiscal audits for each year of the triennium, State Controller annual filings, California Highway Patrol terminal inspections, National Transit Database reports, year-end performance reports, and other compliance-related documentation.

One compliance finding was identified for the City of Corcoran:

1. TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the established deadline and allowable extension.

### Developments Occurring During the Audit Period

The second half of the audit period is markedly different from the first half. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, most transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, the Triennial Performance Audits will provide an assessment not only of how the COVID-19 pandemic impacted each organization, but how they responded to the crisis.

In addition to the ongoing COVID-19 pandemic, recent and proposed changes to the TDA may result in audit reports that look somewhat different than in prior years. In the nearly 50 years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California's state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The draft framework maintains the farebox recovery ratio requirement, but eliminates financial penalties and allows more flexibility with respect to individual operator targets. These changes have yet to be implemented.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. While the ability to maintain state mandates and performance measures is important, AB 90 offered much-needed relief from these requirements for these years impacted by the COVID-19 pandemic while TDA reform continues to be discussed.



AB 90 included the following provisions specific to transit operator funding through the TDA:

1. It prohibited the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost during FY 2019/20 or FY 2020/21.
2. It required the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22 based on the same individual operator ratios published by the Controller in a specified transmittal memo, and authorized the Controller to revise that transmittal memo, as specified. It required the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the Controller would publish the amount of funding allocated to each operator.
3. It exempted an operator from having to meet either of the STA efficiency standards for FY 2020/21 and FY 2021/22 and authorized the operator to use those funds for operating or capital purposes during that period.
4. It required the Controller to allocate State of Good Repair (SOGR) program funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.
5. It required the Controller to allocate Low Carbon Transit Operations Program (LCTOP) funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief with respect to Transportation Development Act (TDA) compliance. It extended the provisions of AB 90 through FY 2022/23 as well as provided additional regulatory relief including:

1. Waiving the annual productivity improvement requirement of Section 99244 through FY 2022/23.
2. Adding a temporary provision exempting operators from farebox recovery ratio requirements provided they expend at least the same amount of local funds as in FY 2018/19.
3. Expanding the definition of "local funds" to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
4. Adjusting the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
5. Allowing operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

AB 149 also called for an examination of the triennial performance audit process, to ensure the practice continues to be effective and beneficial.



Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	In compliance*	FY 2018/19: Not provided FY 2019/20: January 20, 2021 FY 2020/21: January 31, 2022
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	Finding	FY 2018/19: April 13, 2020 FY 2019/20: June 16, 2021 FY 2020/21: March 31, 2022
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	January 12, 2018 January 10, 2019 February 5, 2020 February 8, 2021 (Unsatisfactory) May 27, 2021 (Satisfactory)
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2018/19: -12.7% FY 2019/20: +3.73% FY 2020/21: -2.22%  Source: TDA Claims FY 2018 – FY 2021
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	

\*While the cover page for the Transit Operators Financial Transaction Report for FY 2018/19 was not submitted as part of this audit, submittal of the audit was confirmed through the State Controllers Office website.





Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2018/19: 15.00% FY 2019/20: 8.78% (waived) FY 2020/21: 6.82% (waived)  <i>Penalties for FY 2019/20 and FY 2020/21 waived as a result of AB 90 and AB 149.</i>
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	City staff's retirement is funded through the California Public Employees Retirements System (CalPERS).
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	



## Chapter 4 | Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the City of Corcoran has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in May 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included eight recommendations:

1. Ensure the State Controller Report is submitted by January 31 following the end of the fiscal year

**Discussion:** In FY 2016/17, the deadline for submittal was January 31, 2018. The City's report was submitted on May 4, 2018. In FY 2017/18, the report was submitted on time. The auditor noted the possibility that the issue was already resolved, given the timely submittal of the FY 2017/18 report. The auditor recommended all employees involved in the preparation of the State Controller Reports should be aware of the January 31 deadline and strive to complete and submit the report on time each year.

**Progress:** In FY 2019/20 and FY 2020/21, the State Controller Report was submitted on time. Compliance in FY 2018/19 could not be determined as the proper report was not provided. However, other City reports (Cities Financial Transaction Report and Annual Streets and Roads Report) for that year were submitted on time. The Transit report may have been submitted on time as well, but this could not be verified. Given both subsequent submittals were made on time, this recommendation is considered to be implemented.

**Status:** Implemented.

2. Work with the TDA fiscal auditor and the City's auditor to ensure the TDA fiscal audit can be completed by 180 days past the end of the fiscal year or within a 90-day extension.

**Discussion:** In FY 2015/16 and FY 2016/17, the City's TDA fiscal audit was not submitted until June, more than 90 days after the allowable submittal period. In FY 2017/18, the report had not been submitted at the time the prior audit was prepared. The auditor recommended transit staff work with the City's auditor and Finance Department to determine if the single audit could be completed earlier, thereby allowing for earlier completion of the TDA audit. The auditor also recommended the TDA fiscal auditor should also be mindful of the December 31 and March 31 deadlines. The goal should be to complete the TDA audit by December 31, with the 90-day extension available if needed.

**Progress:** While there has been improvement, TDA fiscal audits were still submitted after the 90-day extension during FY 2018/19 and FY 2019/20. Per KCAG, the RTPA does not have the option to extend the deadline further, but does instruct the County Auditor to withhold TDA funds until the audits can be completed. The TDA audit for FY 2020/21 was submitted on March 31, 2022, within the extension period.



**Status:** Implemented.

3. Explore opportunities for additional local funds that can be used to supplement the farebox recovery ratio.

**Discussion:** In FY 2016/17, the City of Corcoran achieved a farebox recovery ratio of 9.55 percent, which did not meet the 10 percent TDA-required threshold. In FY 2017/18, the City achieved a farebox recovery ratio of 7.13 percent (per the State Controller Report, as the TDA fiscal audit was not available). The auditor recommended the City look to locally-generated funds to supplement its farebox recovery ratio.

The auditor suggested these funds could come from subsidies from a private partner, advertising revenues, sale of surplus vehicles, bus wash fees, depot lease rents, etc. Qualifying revenues were described further by the California Code of Regulation (CCR) §6722, "Revenue Basis for Allocations." The auditor also recommended the City work with KCAG to determine if LCTOP funds may be used for farebox supplementation.

The auditor noted the City's TDA fiscal audits included "miscellaneous" operating revenues as well as interest income. State Controller Reports identified "other operating revenues." Depending on what these revenues were, the auditor suggested they may be able to be counted toward the farebox recovery ratio. Interest income may also be counted as local supplementation.

**Progress:** The City introduced a fare increase in FY 2018/19. This resulted in little change in ridership. It was difficult to evaluate overall impact of the fare increase as fares in FY 2019/20 were skewed by the impact of the COVID-19 pandemic on ridership.

This recommendation was largely rendered "no longer relevant" due to waivers from penalties for not meeting farebox recovery ratio thresholds arising from AB 90 and AB 149. This waiver is in place through FY 2022/23. However, given federal funds can now be applied to the farebox recovery ratio calculation, this is also not likely to be relevant once the waivers expire, provided the City continues to claim federal FTA Section 5311 funding.

**Status:** No longer relevant.

4. Use the TDA definition of FTE for reporting to the State Controller.

**Discussion:** The City continued to calculate the FTE using person-count rather than actual labor hours derived from payroll records or position allocations. This finding and recommendation were carried forward from the prior triennial performance audit. The auditor recommended using payroll records to document the total amount of time spent on transit by all employees, and use that figure (divided by 2,000) to calculate FTE for reporting to the State Controller. The calculation would include drivers and dispatchers as well as those who provide customer service, maintenance, reporting, grant preparation, administration, etc. The auditor noted if payroll data was not available, then the number of hours could be estimated based on percentage of a position



that is dedicated to transit. If necessary, City hours could be estimated based on the Transit FTE identified in the City's staffing plan

**Progress:** Documentation provided by the City demonstrated use of the TDA definition in calculating FTE for the State Controller Report.

**Status:** Implemented.

5. Work with the fiscal auditor and KCAG regarding what funds may be excluded from the operating costs for the farebox recovery ratio calculation

**Discussion:** In reviewing the City's TDA claims, the auditor noted that it appeared costs for professional services and travel and training were excluded from the farebox recovery ratio calculation. The basis for excluding those funds were unclear, but they appeared to be excluded in the TDA fiscal audits as well (in the fiscal audit, the excluded funds are simply labeled "Exclusion/Exemptions"). In some years, the exclusion of these funds made the difference between compliance and non-compliance.

The auditor recommended the City work with its TDA fiscal auditor regarding the recommendation to ensure they were aware of it. In addition to correctly excluding funds from operating cost, the fiscal auditors should be sure to include any local funds that can be applied to the farebox recovery ratio pursuant to PUC 99268.19. All farebox supplementation and operating cost exclusions should be clearly identified and itemized in the fiscal audit (rather than grouped together simply as "Exclusions/Exemptions").

**Progress:** As of the FY 2020/21 TDA fiscal audit, any exclusions from operating cost beyond depreciation were identified in the farebox recovery ratio calculation under a single line item labeled "Exclusion/Exemptions." No further detail was provided. It remains unclear exactly what costs were excluded from this calculation.<sup>1</sup>

**Status:** Not implemented.

6. Develop and implement a transit marketing plan including development of a service brochure

**Discussion:** This recommendation is one carried forward from the 2016 Triennial Performance Audit. The auditor noted the City utilizes periodic flyers/handouts and newspaper advertising as its primary form of marketing. Transit information was not easily located on the City's website, however the auditor noted that some links were broken and there were organizational issues. There were no service brochures, which typically served as a key information resource that could be distributed in locations throughout the community. In Corcoran, such a brochure could have included information about the Dial-A-Ride service as well as subsidized Amtrak and KART passes

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<sup>1</sup> It should be noted that, while the FY 2020/21 fiscal auditor found the City to be out of compliance with the 10 percent farebox recovery ratio requirement, penalties for non-compliance were waived for FY 2019/20 and FY 2020/21 as a result of AB 90 and AB 149 as part of the COVID-19 pandemic relief measures. Therefore, no penalties should be levied for non-compliance for those years.



and KART Route 13. The brochure would have provided a concise resource for transit information that could have been displayed at City Hall, Corcoran Depot, schools, the RAC, local hotels/motels, the library, and healthcare facilities.

The auditor recommended the City develop a marketing plan to guide its marketing and outreach activities. The auditor mentioned the plan does not need to be long or complicated, but should include an overview of the community and target rider markets, key marketing activities, and a budget. The auditor suggested one of the key marketing activities should be a service brochure. The service brochure can be simple, able to be reproduced on an office printer rather than requiring a formal print run. It should include essential information about the Dial-A-Ride service (hours of operation, service area, fares, and policies) as well as information about Amtrak and KART subsidies and the KART Route 13 service.

**Progress:** The City currently has service brochures and was working on implementing more marketing before efforts were derailed by the pandemic. It was exploring options for marketing on buses, at bus stops, and other locations. Both the 2020 Fixed-Route Study and the 2021 Transit Development Plan included marketing recommendations, including for the proposed deviated fixed-route service.

**Status:** Implementation in progress.

7. Revise the City's Transit webpage to more effectively present information.

**Discussion:** A web presence is critical for the success of a transit program, as it provides access to service information any time of day and from any location. Information that is difficult to locate or navigate can deter potential customers from using the service.

Transit information was not easily located on the City's website. The Transit webpage was provided on the City's website at [www.cityofcorcoran.com/cityhall/pw/transit](http://www.cityofcorcoran.com/cityhall/pw/transit). There were a number of organizational issues which made locating transit information difficult. However, transit information was contained on multiple pages, some of which did not link to the main transit page at all. In addition, Transit was linked and located under Public Works (rather than Community Development), which does not reflect the current City reporting hierarchy.

The auditor recommended the City's website should have a single transit webpage that contains pertinent (and up-to-date) transit information. This way the public can easily access all transit information from a single location, rather than through numerous links and pop-up menus. Other locations on the City's website should link to this page. Files for download (such as the Title VI documents or Policies and Procedures) should appear as links on this page as well. An improved webpage can be utilized as an effective marketing tool. Revisions to the transit webpage should be planned as part of a unified effort, not just making changes here and there to fix issues.

**Progress:** The Transit webpage is provided on the City's website at [www.cityofcorcoran.com/departments/public\\_works/transit](http://www.cityofcorcoran.com/departments/public_works/transit). While the City has updated its website and placed a



Corcoran Area Transit (CAT) icon as part of the revolving links below the main site header, the site only shows four icons at a time, and CAT is the fifth icon. As a result, it does not appear until the icons start revolving. Transit is clearly displayed in the drop-down Departmental menu, and correctly links to the Transit page. While Transit is no longer under Public Works, the Transit webpage is still nested under Public Works on the website, though it does not appear on the Public Works drop-down menu. Transit is listed under the Community Services drop-down menu, but that nested page is blank. Overall, access to transit information is much improved, though there are still actions that can be taken to minimize confusion and enhance accessibility.

**Status:** Implemented.

8. Develop a strategy to provide effective coverage when regular drivers are unavailable.

**Discussion:** Currently, a driver absence (whether due to illness or vacation) results in reduced service delivery. This affects service availability on days when a driver is unavailable, or when a driver position remains unfilled.

Prior audits have recommended the City compare the costs of in-house operations versus contracted operations. The one important advantage a contracted operation has over an in-house operation is the ability to bring in back-up drivers from another property when a regular driver calls out. Therefore, we have revised this recommendation to focus on solving the problem of having sufficient back-up drivers. One solution may be for the City to consider contracting out for its operations, but others may include cross-training an existing (non-transit) employee or recruiting part-time drivers, among others.

**Progress:** The City has had challenges over the year in recruiting qualified drivers, in part because the pay is less than in some surrounding areas. The City is working on solutions, which could include increasing compensation, hiring part-time drivers, or contracting drivers. The driver shortage became a significant issue during the COVID-19 pandemic, which resulted in only one driver being available some days. The City is continuing its recruit for qualified drivers.

**Status:** Implementation in progress.



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## Chapter 5 | Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data are consistent can be challenging given the differing definitions employed by different agencies as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported by the City of Corcoran internally as well as to outside entities during the audit period.

- **Operating cost:** Operating cost reported on the TDA fiscal audit and the State Controller Report was somewhat consistent. However, it was significantly higher than that reported to the National Transit Database (NTD). The cause of this is unclear.
- **Fare Revenue:** Fare revenue was generally reported consistently across all three documents. However, in FY 2018/19, the NTD report was much higher than what was reported to the State Controller and on the TDA audit. This resulted in a 27 percent variance.
- **Vehicle Service Hours (VSH):** Vehicle service hours were generally reported consistently across all three reports, with slight discrepancies in FY 2019/20. This is due to a higher VSH being reported to State Controller than appears on the monthly performance reports and the NTD reports.
- **Vehicle Service Miles (VSM):** Vehicle service miles were generally reported consistently across all three reports, with a variance in FY 2019/20. This is due to a higher VSM being reported to State Controller than appears on the monthly performance reports and the NTD reports. This resulted in a variance of 22 percent.
- **Passengers:** This metric was reported consistently in FY 2018/19 and FY 2020/21, however none of the reports in FY 2019/20 could agree on one number. The cause of the variance was unclear. However, it resulted in a variance of approximately 34 to 36 percent.
- **Full-Time Equivalent (FTE) Employees:** The City demonstrated use of the TDA definition in calculating FTE employees for the State Controller Report. Minor differences can be attributed to rounding.





Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2018/19	FY 2019/20	FY 2020/21
<b>Operating Cost (Actual \$)</b>			
<i>TDA fiscal audit</i>	\$709,934	\$916,170	\$937,743
<i>National Transit Database</i>	\$875,921	\$856,448	\$844,854
<i>State Controller Report</i>	\$718,240	\$922,939	Not provided
<b>Fare Revenue (Actual \$)</b>			
<i>TDA fiscal audit</i>	\$67,331	\$54,884	\$22,015
<i>National Transit Database</i>	\$85,820	\$54,883	\$25,094
<i>State Controller Report</i>	\$67,331	\$54,884	Not provided
<b>Vehicle Service Hours (VSH)</b>			
<i>Monthly Performance Reports</i>	4,215	3,733	2,473
<i>National Transit Database</i>	4,215	3,733	2,473
<i>State Controller Report</i>	5,232	4,289	Not provided
<b>Vehicle Service Miles (VSM)</b>			
<i>Monthly Performance Reports</i>	44,751	35,205	22,070
<i>National Transit Database</i>	44,751	35,205	22,070
<i>State Controller Report</i>	4,215	43,105	Not provided
<b>Passengers</b>			
<i>Monthly Performance Reports</i>	32,529	23,949	12,058
<i>National Transit Database</i>	32,529	23,576	12,058
<i>State Controller Report</i>	32,529	32,145	Not provided
<b>Full-Time Equivalent Employees</b>			
<i>State Controller Report</i>	6	6	Not provided
<i>Per TDA methodology</i>	5	7	6



## Chapter 6 | Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator's activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between major functions is revealed.

The Transportation Development Act (TDA) requires recipients of TDA funding to track and report five performance indicators:

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

To assess the validity and use of performance indicators, the audit team performed the following activities:

- Assessed internal controls in place for the collection of performance-related information,
- Validated collection methods of key data,
- Calculated performance indicators, and
- Evaluated performance indicators.

The procedures used to calculate TDA-required performance measures for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller and Federal Transit Administration).

### Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667<sup>2</sup>. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period<sup>3</sup>:

<sup>2</sup> CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

<sup>3</sup> Given the passage of AB 149, the list of excluded costs will be expanded beginning with FY 2021/22.



- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

#### Vehicle Service Hours and Miles

*Vehicle Service Hours (VSH) and Miles (VSM)* are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.<sup>4</sup> For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

#### Passenger Counts

According to the Transportation Development Act, *total passengers* is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

#### Employees

*Employee hours* is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

#### Fare Revenue

*Fare revenue* is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

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<sup>4</sup> A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.



#### TDA Required Indicators

To calculate the TDA indicators for the City of Corcoran the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via National Transit Database (NTD) reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the City's audited financial reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses. However, the significant variance between reports called into question which one accurately reflects the costs for the City's transit services.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via NTD reports for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit and compared against monthly performance summary reports. The City's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit and compared against monthly performance summary reports. The City's calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit and compared against monthly performance summary reports. The City's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from State Controller Reports for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was confirmed.

#### System Performance Trends

System-wide, operating cost experienced a net 3.5 percent decrease during the audit period. The prior audit period was characterized by year-over-year increases, however, which resulted in a net increase of 3.6 percent over the six-year period. Fare revenue decreased every year with the exception of an 18.8 percent increase in FY 2018/19. This resulted in a 70.8 percent decrease during the audit period, and a net 68.6 percent decrease across the six-year period.

Vehicle Service Hours (VSH) decreased every year. VSH saw a net 62.0 percent decrease over the six-year period, with most of that occurring in FY 2018/19 and FY 2020/21. A similar pattern was observed with respect to Vehicle Service Miles (VSM), which had a net 60.7 percent decrease over the six-year period.

Ridership also followed the same pattern as VSH and VSM, though with a much greater decrease in FY 2020/21. Overall, ridership experienced a net decrease of 62.9 percent during the audit period, and 71.8 percent across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. With operating costs remaining fairly stable during the audit period, efficiency was impacted by significant decreases in other metrics, resulting in much



higher costs per VSH, VSM, and passenger. Productivity declined as well, as passengers per VSH and VSM both decreased during the audit period. Neither change is surprising, given the impact of the ongoing COVID-19 pandemic on transit operations and ridership.

Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
<b>Operating Cost (Actual \$)</b>	\$815,336	\$803,532	\$1,182,439	\$875,921	\$856,448	\$844,854
Annual Change		-1.4%	47.2%	-25.9%	-2.2%	-1.4%
<b>Fare Revenue (Actual \$)</b>	\$79,944	\$79,878	\$72,217	\$85,820	\$54,883	\$25,094
Annual Change		-0.1%	-9.6%	18.8%	-36.0%	-54.3%
<b>Vehicle Service Hours (VSH)</b>	6,515	5,562	5,532	4,215	3,733	2,473
Annual Change		-14.6%	-0.5%	-23.8%	-11.4%	-33.8%
<b>Vehicle Service Miles (VSM)</b>	56,150	48,498	55,394	44,751	35,205	22,070
Annual Change		-13.6%	14.2%	-19.2%	-21.3%	-37.3%
<b>Passengers</b>	42,797	34,997	34,151	32,529	23,576	12,058
Annual Change		-18.2%	-2.4%	-4.7%	-27.5%	-48.9%
<b>Employees</b>	7	7	6	5	6	6
Annual Change		0.0%	-14.3%	-16.7%	20.0%	-8.3%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$125.15	\$144.47	\$213.75	\$207.81	\$229.43	\$341.63
Annual Change		15.4%	48.0%	-2.8%	10.4%	48.9%
<b>Operating Cost/Passenger (Actual \$)</b>	\$19.05	\$22.96	\$34.62	\$26.93	\$36.33	\$70.07
Annual Change		20.5%	50.8%	-22.2%	34.9%	92.9%
<b>Passengers/VSH</b>	6.57	6.29	6.17	7.72	6.32	4.88
Annual Change		-4.2%	-1.9%	25.0%	-18.2%	-22.8%
<b>Passengers/VSM</b>	0.76	0.72	0.62	0.73	0.67	0.55
Annual Change		-5.3%	-14.6%	17.9%	-7.9%	-18.4%
<b>Farebox Recovery</b>	9.8%	9.9%	6.1%	9.8%	6.4%	3.0%
Annual Change		1.4%	-38.6%	60.4%	-34.6%	-53.6%
<b>Hours/Employee</b>	930.7	794.6	922.0	843.0	622.2	449.6
Annual Change		-14.6%	16.0%	-8.6%	-26.2%	-27.7%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$14.52	\$16.57	\$21.35	\$19.57	\$24.33	\$38.28
Annual Change		14.1%	28.8%	-8.3%	24.3%	57.4%
<b>VSM/VSH</b>	8.62	8.72	10.01	10.62	9.43	8.92
Annual Change		1.2%	14.8%	6.0%	-11.2%	-5.4%
<b>Fare/Passenger</b>	\$1.87	\$2.28	\$2.11	\$2.64	\$2.33	\$2.08
Annual Change		22.2%	-7.4%	24.8%	-11.8%	-10.6%

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.  
FY 2018/19 - FY 2020/21 data from NTD reports.  
FY 2018/19 - FY 2020/21 FTE data from FTE report.



Exhibit 6.2 System Ridership

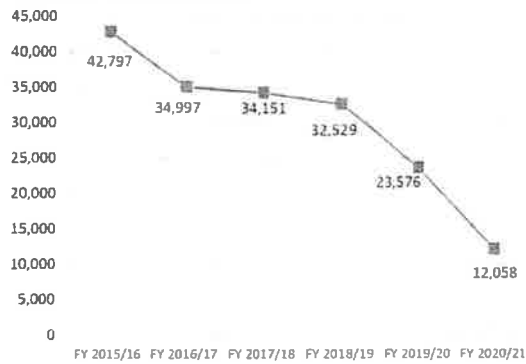


Exhibit 6.3 System Operating Cost, VSH



Exhibit 6.4 System Operating Cost, VSM



Exhibit 6.5 System VSM, VSH

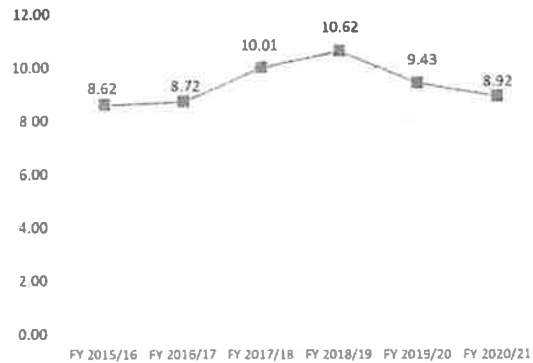




Exhibit 6-6 System Operating Cost/Passenger



Exhibit 6-7 System Passengers /SH

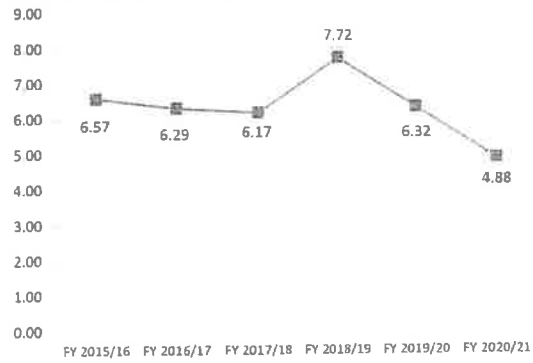


Exhibit 6-8 System Passengers /SM

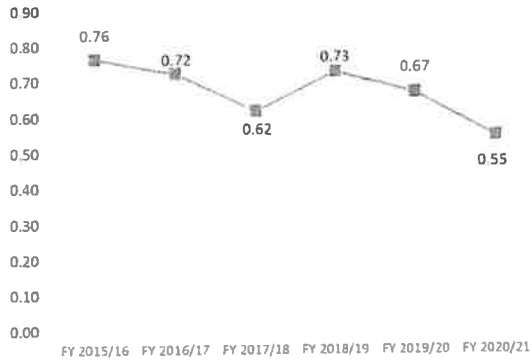


Exhibit 6-9 System /SH-FTE

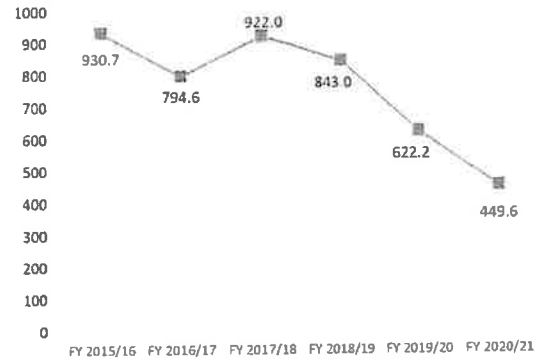




Exhibit B-10 System Payable Recovery

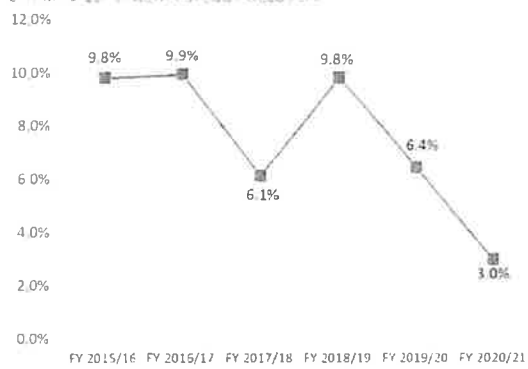


Exhibit B-11 System Payable Budget







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## Chapter 7 | Functional Review

A functional review of the City of Corcoran’s public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the City’s transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by the City of Corcoran through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

### Service Overview

The City of Corcoran operates Corcoran Area Transit (CAT) , a Dial-A-Ride service. The service operates within the Corcoran city limits and fringe area as an origin to destination service. Service is available on weekdays from 7:15 a.m. through 4:00 p.m. The service does not operate on the weekends or designated holidays

The City also owns and operates the Corcoran Depot, which opened in 1999 and houses all dispatching and office administration. While the Corcoran Depot is not an official Amtrak Depot, it is available to Amtrak passengers and KART passengers along with Corcoran Area Transit passengers.

Trips are provided on a first-come, first served basis. Requests for service require a minimum 60-minute advance notice prior to pick-up. If a customer needs a pick up between 7:15 a.m. and 8:00 a.m., they must call the day before to check for availability and schedule a pick-up.

Exhibit 7.1 Fare Structure

Category	City Limits	Fringe Area	Cemetery	State Prisons
General	\$1.50	\$3.50	\$4.00	\$5.00
Senior (60+)	\$0.75	\$1.75	\$2.00	\$2.50
Handicap/ADA	\$0.75	\$1.75	\$2.00	\$2.50
Children (0-8 years accompanied by adult)	\$1.00	\$2.50	\$3.50	\$4.50

Five-dollar and ten-dollar tokens are available for purchase at the Corcoran Depot or onboard the vehicle. To qualify for the disabled/ADA reduced fare, riders must submit a valid DMV disabled persons placard identification card and receipt every two years or complete a General Handicap Form (signed by a physician).

In addition to the bus service, the City of Corcoran offers a subsidized Amtrak ticket program for rail service between the Corcoran and Hanford. Under this program, residents may purchase round-trip tickets at the Depot or City Hall for \$9.00 and one-way tickets for \$4.50. Discounted KART passes are also available.





Response to COVID-19 pandemic

The first eight to nine months of the pandemic saw a 60 to 70 percent decrease in ridership. Early in the pandemic, the transit system was forced to suspend service so that drivers and riders could isolate to minimize exposure. While the system did not have any subsequent shut-downs, there were a number of times capacity was reduced due to only having one driver available. This was further complicated by the reduced capacity on the vehicle due to social distancing. Buses are cleaned every two hours. Ridership is still down. The City hopes to recover and increase ridership when it moved to a deviated fixed-route service delivery format.

General Management and Organization

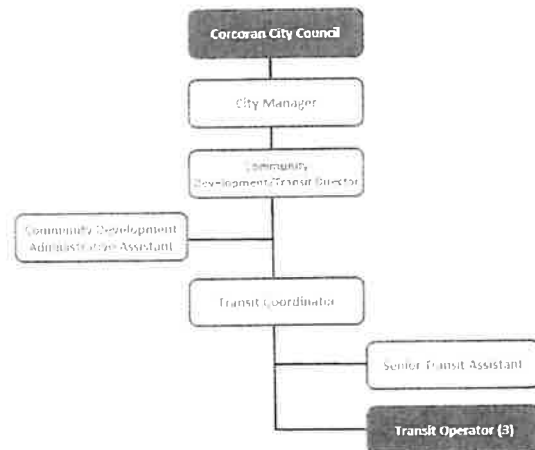
Corcoran Area Transit (CAT) is operated in-house by the City of Corcoran. The Transit Coordinator provides day-to-day oversight of the transit program. The Transit Coordinator reports to the Community Development Director. Both the Transit Coordinator and the Community Development Director interact with the RTPA and KCAG’s Social Services Transportation Advisory Council (SSTAC) with respect to transit. The Community Development Director also represents engineering and planning on behalf of the City.

The program is staffed by four full-time drivers and a Transit Assistant. The Transit Assistant also assists in staffing the front counter at the Corcoran Depot, dispatches vehicles, answers incoming calls, responds to general inquiries regarding the City’s transit services, sells tickets, and collects fees.

The Corcoran City Council provides oversight of the City’s transit program. The City Council meets in the Corcoran City Council Chambers (1015 Chittenden Avenue, Corcoran) on the second and fourth Tuesday of each month at 5:30 p.m. The City Council generally has a lot of praise for the transit program with its updates, which are provided quarterly. Transit has been part of Community Development for the past five years. The SSTAC is the City’s only citizen advisory board.

Exhibit 7.3 illustrates the department’s organizational structure at the end of the period covered by this Triennial Performance Audit.

Exhibit 7.2 Organizational Chart





#### Service Planning

The Kings County Association of Governments (KCAG) provides service planning for both operators in Kings County. In 2021, KCAG sponsored development of the Kings County Transit Development Plan (TDP), which included the City of Corcoran. Surveys of riders and non-riders were included in this planning effort.

The prior TDP, completed in 2015, recommended the introduction of local fixed-route service for the City of Corcoran, offering an improved level of convenience for riders who do not have to call for a ride and can board at any location during service hours. The City completed a Fixed-Route Study (funded through KCAG) in 2020. Implementation has been hampered by the COVID-19 pandemic, which started as the project entered its final stages. The city council has been very receptive to the study, however, and staff intends to bring it back to them for implementation in Spring 2022.

A fare increase took effect January 2019. No service changes have occurred during the audit period, except all staff now take their lunch break between 11 a.m. and 12 p.m. No calls are taken or trips provided during that time. This change has been in place for approximately three years.

During the audit period, the City obtained grant funding for an automated comprehensive transit data tracking program. All buses are equipped with Surface Pros which serve as mobile data terminals. For Dial-A-Ride, the address of each reservation is displayed on the computer, and the driver can add travel time, pick up time, and drop off time. The system also monitors fuel consumption and actual employee hours on and off the bus. While it took two years to get the program up and running, it has improved the dispatching process and greatly improved overall efficiency. The City used the same individual who has written custom software programs for its Public Works Department. The program is set up for future expansion as the City moves toward a fixed-route program.

The City believes the RTPA does a good job and is a good resource when staff have questions. The KCAG sponsors transit-related studies when it has funding available and assists Corcoran with both federal and state grants. Staff acknowledge that the City is not as aggressive as it could be when pursuing funding. The City works well with KCAPTA's Executive Director and benefits from her shared knowledge about transit.

On an annual basis, City transit staff prepares an Unmet Transit Needs report with the City Council. Following this, an Unmet Transit Needs public hearing is held as part of a pre-determined regular City Council meeting. KCAG's SSTAC also provides input into service planning. Surveys are done as part of the Transit Development Plan and unmet transit needs process. For the 2021 TDP, a transit rider survey was conducted in October 2020. Additional surveys were collected as part of the Fixed-Route Study prior to onset of the COVID-19 pandemic.

#### Administration

The Community Development Director prepares the annual budget, with the assistance of the Transit Coordinator. The Transit Coordinator handles grants (including CalOES, PTMISEA, LCTOP, etc.). The City is willing to apply for any grant it finds, but is not always aggressive in doing so.

Risk management is handled by the City's Human Resources department. The City is self-insured through the San Joaquin Valley Risk Management Authority (SJVORMA).



The City utilizes Diamond manual drop-vault fareboxes. Drivers must get the key from transit to bring in the vault. After hours, the vault stays in the vehicle in the City yard overnight. The City yard is monitored by multiple cameras. Dispatch reconciles fares with driver logs. The fares are entered into Accounting and taken over to Finance at the end of each week.

Payroll is run every two weeks using handwritten timesheets. Timesheets are signed by the Transit Coordinator and Community Development Director, then reviewed by Finance before they are approved. Most employees utilize direct deposit.

Procurement activities are primarily related to vehicles. The City typically utilizes the CalACT bid process. The Transit Coordinator prepares the procurement, with oversight from the Community Development Director.

#### Scheduling, Dispatch, and Operations

Shifts are rotated every pay period (every two weeks). Drivers are represented by the International Union of Operating Engineers (IUOE) Stationary Engineers Local 39. There are currently three drivers filling five shifts. One driver returned from medical leave and needs to renew their license. Trip scheduling is based on location. Reservations for trips between the hours of 7:15 a.m. and 8:00 a.m. must be made the day before. Standing reservations or subscription trips are accepted based on space availability. Patrons may cancel or reschedule their appointments within one hour of their scheduled pick-up time. Patrons who fail to comply with this cancellation policy may be subject to service restrictions or other penalties.

Vehicle assignments are based on a combination of driver preference and rotation. Drivers prefer the large buses with ADA lifts, as they do not have to get off the bus to board wheelchairs. The larger buses are also used in the afternoon for student travel. Primary ridership on CAT is seniors and persons with disabilities. Students also represent a large portion of the CAT ridership.

Surface Pros have been implemented on all buses. The dispatcher compiles the reported times at the end of each day using the driver manifests. City staffers track trip cancellations and no-shows. This information is used to compute revenue hours and miles (defined as hours and miles that transit vehicles operate in revenue service), which are then summarized in monthly spreadsheets, which also include average travel and wait times, average and total passengers by fare type, and average and total walk-ons and wheelchair lifts. This information is used to plan service changes and improve efficiencies.

#### Personnel Management and Training

The City is always seeking to recruit new drivers. Recruiting methods include advertising on websites, the City's social media pages, and in the local papers such as the *Corcoran Journal*, *Hanford Sentinel*, and *Visalia Times-Delta*. An obstacle for recruitment is the hourly rate is three to four dollars less than what other agencies are offering. The City is currently in process of raising the hourly rate to be more competitive. It can be challenging to recruit experienced drivers when necessary. If six or seven people apply for the position, there may be one applicant with a license. Drivers maintain a valid California Class B Commercial Driver's License with passenger endorsement and a General Public Paratransit Vehicle (GPPV) certification. Drivers are eligible for the standard City benefits package. Drivers are also subject to the City's disciplinary policy.



Currently all drivers are dedicated to transit, and one of the down sides of operating the system in-house is the lack of back up drivers. Vacations and other absences affect passenger capacity through the reduction of available buses for the public. The City is open to utilizing part-time drivers, but has not done so in many years.

The City holds safety meetings on a monthly basis. There have been a number of minor injuries in the last few years. The City is trying to alleviate these injuries by reviewing what causes them as part of safety meetings. When there is an incident, it is reviewed as part of the safety discussion. Training is usually done in-house using online resources. The City is looking for GPPV trainers due to the last trainer retiring.

The Transit Coordinator trains and monitors personnel to ensure compliance with departmental policies, procedures, and regulations. This compliance includes ensuring bus drivers maintain appropriate licenses and certifications. The Coordinator performs analytical duties such as reviewing driver logs, monitoring passenger rider ship and average travel times, and inputting collected transit data into the departmental computer system in order to improve services and efficiencies.

#### Marketing and Public Information

The Transit Coordinator provides information on CAT, furthering this goal through the production and distribution of transit service notices and flyers regarding changes in service and/or ticket prices. The City has a service brochure available.

The Transit webpage is provided on the City's website at [www.cityofcorcoran.com/departments/public\\_works/transit](http://www.cityofcorcoran.com/departments/public_works/transit). While the City has updated its website and placed a Corcoran Area Transit icon as part of the revolving links below the main site header, the site only shows four icons at a time, and CAT is the fifth icon. As a result, it does not appear until the icons start revolving. Transit is clearly displayed in the drop-down Departmental menu, and correctly links to the Transit page. While Transit is no longer under Public Works, the Transit webpage is still nested under Public Works on the website, though it does not appear on the Public Works drop-down menu. Transit is listed under the Community Services drop-down menu, but that nested page is blank. Files for download (such as the Title VI documents or Policies and Procedures) appear on the Transit page.

Both the Fixed-Route Study and 2021 Transit Development Plan included marketing recommendations. While those included in the Fixed-Route Study primarily focused on marketing activities prior to, during, and following the introduction of the fixed-route service, both offered valuable direction for the City's limited marketing resources.

#### Maintenance

The City's Maintenance department provides maintenance for the City's transit program, including all preventive maintenance work. Mechanics are not dedicated to transit. Maintenance lets the dispatcher know when a vehicle is ready. Some parts are kept on hand, and most others can be obtained within a day. The local parts store tries to keep frequently needed bus parts in stock. The facility is adequate and the transit bay is shared with other departments. All work for transit is logged separately.

Preventive maintenance is conducted on a 45-day schedule. Maintenance procedures conform to CHP and manufacturer standards. Mechanics are notified before the maintenance is due. Parts inventory and



maintenance scheduling is sufficient to minimize down-time. Many repairs can be done on-site, but transmission, airbags, wheelchair lifts, and other such repairs require off-site work.

Drivers inspect their vehicles at the beginning of each shift, following a checklist and noting findings on a Daily Vehicle Inspection form. Driver manifests include a field for noting the date of the vehicle's next scheduled maintenance. Inspection and maintenance of vehicles by the driver includes checking vehicle gauges, lights, tires, and brakes, as well as monitoring vehicle fuel and fluid levels. Mechanical issues are reported to the Assistant Transit Coordinator and Transit Coordinator. The Transit Coordinator maintains a log of all roadcalls with their respective vehicle records.

The City of Corcoran owns all the transit vehicles. The fleet currently consists of six vehicles: three buses and three cutaways. All vehicles are wheelchair accessible and all but one includes a bike rack. A full fleet inventory is presented in Exhibit 7.3.

Exhibit 7.3 Corcoran Area Transit's Fleet

Year	Vehicle #	Make & Model	Fuel	PAX + WC
2002	#167	Ford E450	Diesel	15 + 2
2003	#169	Ford Eldorado	Diesel	22 + 2
2003	#170	Ford Eldorado	Diesel	22 + 2
2010	#215	Ford E450	Gas	15 + 2
2010	#216	Ford E450	Gas	15 + 2
2015	#238	Ford	Diesel	22 + 2



## Chapter 8 | Findings and Recommendations

### Conclusions

With one exception, Moore & Associates, Inc. finds the City of Corcoran to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

### Findings

Based on discussions with City of Corcoran staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the established deadline and allowable extension.

The audit team has identified three functional findings. While these finding are not compliance findings, the audit team believes they warrant inclusion in this report:

1. While the Transit website has been improved, there are still some minor issues that should be resolved.
2. The farebox recovery ratio calculation in the TDA fiscal audit does not itemize exclusions or exemptions.
3. The City continues to suffer from a lack of qualified drivers, which can impact service delivery.

### Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the City of Corcoran's public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance. Each finding is presented with the elements identified within the 2011 *Government Auditing Standards* as well as one or more recommendations.

Compliance Finding 1: TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the established deadline and allowable extension.

**Criteria:** PUC 99245 requires all Article 4 recipients to submit an annual fiscal audit to the State Controller within 180 days of the end of the fiscal year. The RTPA has the authority to extend the deadline for another 90 days, typically to March 31. The RTPA cannot release Article 4 funds until the audit is submitted.

**Condition:** In FY 2018/19 and FY 2019/20, the TDA fiscal audit was submitted after March 31. While completion of the FY 2018/19 audit on April 13, 2020, showed significant improvement, the FY 2019/20 audit was not submitted until June 16, 2021. However, the FY 2020/21 audit was submitted on time on March 31, 2022, putting the City in compliance for that fiscal year.





**Cause:** The City must complete its annual City audit before its TDA fiscal audit so all of the necessary data is available for the TDA audit. The current City auditor contract typically results in completion of the City audit by the end of March, which is consistent with the State Controller’s requirement for City audits (nine months after the end of the fiscal year).<sup>5</sup> The Finance department does not have the staffing to prepare the schedules needed to complete these audits any earlier.

**Effect:** As a result, the TDA fiscal audit may not be completed until after the March 31 TDA deadline. Late submittal of the TDA fiscal audit can cause delays in the City receiving TDA funds.

**Recommendation:** Continue to work with the City’s TDA fiscal auditors to ensure on-time completion by the extended deadline.

**Recommended Action:** It is the City’s responsibility to ensure its auditors are aware of the competing deadline for the TDA fiscal audit, and to strive to complete both on time. The circumstances of the on-time completion of the FY 2020/21 audit should be reviewed to ensure whatever was changed (which resulted in the City being in compliance) can be replicated in future years.

**Timeline:** Ongoing.

**Anticipated Cost:** Negligible.

Functional Finding 1: While the Transit website has been improved, there are still some minor issues that should be resolved.

**Criteria:** The prior audit called for improvements to the City’s Transit webpage as part of the marketing and public information functional area.

**Condition:** While improvements were made and the Transit webpage is much easier to use, there are still a couple of issues that need to be resolved to ensure maximum usability and accessibility. First, in the structure of the website, the Transit page is nested under Public Works. Given it is primarily accessed via a direct link (and is not part of the Public Works drop-down menu), this would not normally be a problem. However, a Transit page is also nested under Community Development, and that page is accessible from the drop-down menu. That Transit page is blank.

The second item is regarding the General Handicap qualifications. The webpage indicates an individual must have a DMV placard to qualify for the General Handicap fare., which would appear to exclude those that do not have access to a vehicle (and therefore have no need for a placard). However, the CAT Policy and Procedures document indicates riders may also pick up a General Handicap Form to be completed by their physician. This information is buried in a document on the webpage.

**Cause:** Recent changes to the website likely resulted in the page nesting issue. The alternative to the DMV placard is a simple omission.

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<sup>5</sup> As a result of the COVID-19 pandemic, the deadline for submittal of the FY 2020/21 audit was extended an additional six months to September 30, 2022.



**Effect:** Resolving these issues will make the Transit webpage more usable and provide more comprehensive information.

**Recommendation:** Continue to modify the Transit webpage to improve usability and access to information.

**Recommended Action:** The current Transit page should either be moved so that it is under Community Development, or the Transit page under Community Development should redirect to the existing page under Public Works. The text at the bottom of the main page should be amended to read:

*To qualify as a general handicap one the following must be submitted every two years:*

- *DMV - Disabled persons placard identification card/receipt including a valid identification card*
- *City of Corcoran General Handicap Form to be completed by the passenger and their physician (available at the Depot)*

**Timeline:** FY 2021/22.

**Anticipated Cost:** Minimal.

Functional Finding 2: The farebox recovery ratio calculation in the TDA fiscal audit does not itemize exclusions or exemptions.

**Criteria:** The prior audit recommended the City's auditor itemize exclusions and exemptions as part of the farebox recovery ratio calculation in the TDA fiscal audit.

**Condition:** All fiscal audits reviewed during this audit cycle included only line items for depreciation and exclusion/exemptions as part of the farebox recovery ratio. They did not itemize what those exclusions or exemptions were or add any allowable revenues to the fare revenue.

**Cause:** The cause of this omission is unclear.

**Effect:** It can be difficult to determine what revenues and costs were included or excluded from the farebox recovery ratio calculation, which is a compliance criteria.

**Recommendation:** Work with the City's TDA auditors to itemize costs that are excluded or exempted from operating cost, as well as revenues that are used to supplement fare revenues, in the farebox recovery ratio calculation.

**Recommended Action:** With the new exclusions and sources of fare revenue supplementation allowed under AB 149 (PUC 99268.17 and PUC 99268.19), it will become essential for the City to include an itemized calculation for its farebox recovery ratio. In addition, with the planned transition to a deviated fixed-route service, the City will be exempted from penalties for not meeting the farebox recovery ratio for two years following the implementation year. Assuming implementation sometime during FY 2022/23, the City would be exempt from this requirement for FY 2023/24 and FY 2024/25. During that time, however, the auditor should continue to calculate the farebox recovery ratio so that the City will know



where it stands with respect to meeting the requirement when it is again responsible for meeting it in FY 2025/26.

**Timeline:** FY 2021/22.

**Anticipated Cost:** Negligible.

Functional Finding 3: The City continues to suffer from a lack of qualified drivers, which can impact service delivery.

**Criteria:** The prior audit included a recommendation that the City develop a strategy to provide effective coverage when regular drivers are unavailable.

**Condition:** While the City has made inroads at hiring drivers so as to mitigate this issue, successful recruitment has been problematic. One of the biggest challenges is the pay rate, which is lower than other agencies in the region. To that end, the City is looking at its options, including increasing the pay rate, hiring part-time drivers, or potentially contracting out the operation. During the peak of the COVID-19 pandemic, capacity was significantly impacted by a lack of available drivers due to illness or quarantine. The pandemic has also caused a nationwide driver shortage, which further impacts the availability of qualified candidates.

**Cause:** The City has struggled with a lack of drivers for a number of years. Medical leaves of absence have a significant impact on the small pool of drivers, as those positions are not vacant and therefore cannot be replaced. Vacant positions suffer from a lack of qualified candidates.

**Effect:** Service levels/capacity can be impacted when there are not enough drivers.

**Recommendation:** Identify and implement strategies to recruit and retain qualified drivers.

**Recommended Action:** As a demand-response service, reduced availability of drivers translates to fewer CAT buses in service and fewer seats available. Once the City transitions to a deviated fixed-route service, reduced availability of drivers could mean one of the routes does not run for part of the day. Therefore, it is essential the City have a sufficient staff of drivers prior to implementing the fixed-route service. All of the options cited above should be further explored and selected strategies implemented.

**Timeline:** Ongoing.

**Anticipated Cost:** Varies depending upon solution(s) identified.



Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to work with the City's TDA fiscal auditors to ensure on-time completion by the extended deadline.	Medium	Ongoing
Functional Recommendations		Importance	Timeline
1	Continue to modify the Transit webpage to improve usability and access to information.	Low	FY 2021/22
2	Work with the City's TDA auditors to itemize costs that are excluded or exempted from operating cost, as well as revenues that are used to supplement fare revenues, in the farebox recovery ratio calculation.	High	FY 2021/22
3	Identify and implement strategies to recruit and retain qualified drivers.	High	Ongoing



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City of

# CORCORAN

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**STAFF REPORT  
ITEM #: 7-B**

**MEMORANDUM**

**TO:** City Council

**FROM:** Kevin J. Tromborg: Community Development Director/Transit Director

**DATE:** May 12, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Resolution 3135 regarding updates to the City First Time Home Buyers (FTHB) Home Investment Partnership Program (HOME) guidelines.

**Recommendation:** Staff recommends after Council review and discussion, approval of the revised FTHB HOME Program guidelines.

**Discussion:**

The City applies for HOME, CalHome and CDBG grants and use them to offer assistance to eligible first-time homebuyers and for housing rehab projects. The grants are provided by the Housing and Community Development Department of the State of California (HCD) through bypass funds from Housing and Urban Development from the Federal government (HUD). The grants funding is directed by approved guidelines from the State and Federal governments as well as the City of Corcoran. Periodically the guidelines are revised by HCD, HUD or the City and must be approved by resolution and the Council.

Attached are revisions by HUD to the guidelines that are necessary and address changes to the wording and expectations regarding HUD housing counseling requirements that became effective in August of 2022. The guideline changes have been reviewed and approved by Community Development Staff and by our contracted partner Self Help Enterprise.

**Budget Impact:** No impact

Attachment: Guidelines with Highlighted changes.  
Resolution 3135

**RESOLUTION NO. 3135**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN  
APPROVING REQUIRED REVISIONS TO THE FTHB, HOME PARTNERSHIP  
PROGRAM GUIDELINES**

**WHEREAS**, the California Department of Housing and Community Development and the United States Department of Housing and Urban Development have developed guidelines for the HOME partnership Program First Time Home Buyers (FTHB); and

**WHEREAS**, The Corcoran City Council approved the HOME, FTHB and Rehab guidelines on February 27, 2018; and

**WHEREAS**, the California Department of Housing and Community Development and the United States Department of Housing and Urban Development sent revisions that addresses specific wording, expectations and counseling requirements that become effective in August of 2022; and

**WHEREAS**, the City of Corcoran contracted partner Self Help Enterprise, on behalf of the City performed the necessary revisions to the HOME, FTHB guidelines; and

**WHEREAS**, a public hearing is not required based on the revisions are required by the United States Department of Housing and Urban Development.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council does hereby approve the revisions to the HOME FTHB Guidelines as presented.

The foregoing Resolution 3135 was approved and adopted at a regular meeting of the City Council of the City of Corcoran held on the 14<sup>TH</sup> day of June 2022, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**APPROVED:**

\_\_\_\_\_  
Patricia Nolen, Mayor

**ATTEST:**

\_\_\_\_\_  
Marlene Spain, City Clerk



# Name of State Recipient



## Homebuyer Acquisition Only/ Acquisition with Rehabilitation Program Guidelines

For:

HOME Investment Partnerships Program

Community Development Block Grant  
(CDBG) Program

CalHome Program

Serving the name of city, or the unincorporated  
areas of the County of XXX

CalHome Approved (date)  
CDBG Approved (date)  
HOME Approved (date)

# HOMEBUYER PROGRAM GUIDELINES

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**NAME OF STATE RECIPIENT**

**HOMEBUYER PROGRAM GUIDELINES**

**1.0. GENERAL**

The above-named entity, hereinafter referred to as the "Sponsor," has entered into a contractual relationship with the California Department of Housing and Community Development ("HCD") to administer one or more HCD-funded homebuyer programs. The homebuyer program described herein (the "Program") is designed to provide assistance to eligible homebuyers in purchasing homes, also referred to herein as "housing units", located within the Program's eligible area, as described in Section 3.1.A. The Program provides this assistance in the form of deferred payment "silent" second priority loans as "Gap" financing toward the purchase price and closing costs of affordable housing units that will be occupied by the homebuyers as their primary residence. The Program will be administered by **Name of Sub-recipient, or name of admin sub, if applicable**, (the "Program Operator").

**1.1. PROGRAM OUTREACH AND MARKETING**

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with handicaps, have access to the Program.

A. The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program's eligible area compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. This information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homebuyer seminars to help educate homebuyers about the home buying process and future responsibilities. Persons who have participated in local homebuyer seminars will be notified about the Program.

B. The Program Operator will work with local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be encouraged to have their customers participate in the Program.

- C. Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Sponsor will take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public.

## 1.2. APPLICATION PROCESS AND SELECTION

- A. The Sponsor maintains a waiting list of applicants. Each applicant is asked to complete an application form, which asks for sufficient information concerning income, employment, and credit history to establish preliminary eligibility for Program participation. Completed applications are processed on a first-come-first-served basis. Applications are deemed complete only if all information is completed, the application is signed and dated, and a primary lender's pre-qualification letter is attached to the application. Incomplete applications are returned to the applicant and will not be date/time stamped until complete.
- B. Once the applicant's name comes to the top of the waiting list, their Program eligibility is confirmed and they are invited to a briefing regarding participation in the Program. At the briefing the application is reviewed and the potential homebuyer is given a "Preliminary Eligibility Letter" for the Program along with the following forms: Program Brochure, Attachment (G) Instructions to Home Buyer, List of Participating Lenders, Attachment (E) Sellers Lead-Based Paint Disclosure and the EPA Booklet (Protect Your Family from Lead in Your Home) and (F) Notice to Seller.

If the Program Operator encounters material discrepancies and/or misrepresentations, and/or there are income, asset, household composition, or other important questions that can't be resolved, the Sponsor reserves the right to deny assistance to the household. In this case, the applicant may re-apply after six months have elapsed from the time of written assistance denial.

- C. Effective August 1, 2021, each HOME and CDBG Program applicant must participate in individual Housing Counseling as required by 24 CFR §92.254(a)(3) and 24 CFR §5.100 – 5.111, to be provided by a HUD-certified homebuyer counselor employed by an entity approved by HUD to provide housing counseling.

Acceptable forms of housing counseling include in-person, phone, and/or internet, provided the client and counselor have an individualized dialogue, with guidance and advice tailored to client's needs. This includes creating a client budget, financial analysis, an action plan, and referrals to relevant resources such as down payment assistance programs or legal services

Housing counseling is independent, expert advice customized to the need of the consumer to address the consumer's housing barriers and to help achieve their

housing goals and must include the following processes: Intake; financial and housing affordability analysis; an action plan, except for reverse mortgage counseling; and a reasonable effort to have follow-up communication with the client when possible. The content and process of housing counseling must meet the standards outlined in 24 CFR part 214, which includes:

- addressing unique financial circumstances or housing issues
- focusing on ways of overcoming specific obstacles to achieving a housing goal such as repairing credit
- addressing a rental dispute, purchasing a home, locating cash for a down payment, and being informed of fair housing and fair lending requirements of the Fair Housing Act
- finding units accessible to persons with disabilities
- avoiding foreclosure
- resolving a financial crisis
- except for reverse mortgage counseling, all counseling shall involve the creation of an action plan.

A copy of each borrower's certificate of completion must be placed into each homebuyer file maintained by the Program Operator.

Each applicant must participate in individual Homebuyer Counseling provided by a HUD-certified homebuyer counselor that works for an entity approved by HUD to provide homebuyer counseling. A copy of their certificate of completion must be placed into the homebuyer file maintained by the Program Operator.

- D. The potential homebuyer is given 90 days in order to find a qualified home and begin securing a primary loan for the housing unit. If during the 90-day time frame, the potential homebuyer is unable to purchase a home, an extension may be given. However, if it appears the potential homebuyer cannot participate in the Program, the reservation of funds expires and the next person on the waiting list is given an opportunity to participate in the Program.

### 1.3. THE HOME PURCHASE PROCESS

- A. The following is a simplified example of how a primary lender would analyze a homebuyer's finances to determine how much the homebuyer could afford to borrow from the primary lender towards homeownership.



**DEBT SERVICE  
FOR A FAMILY OF FOUR EARNING \$3,388 PER MONTH**

<b>HOUSING PAYMENTS</b>		<b>TOTAL OVERALL PAYMENTS</b>	
Principal & Interest Payment	\$ 865	\$1,180	Housing
Insurance	82	<u>+200</u>	Other Debt Service
Taxes	<u>233</u>	\$1,380	Total Debt Service
Total Housing Expense (PITI is 35% of \$3,388)	\$1,180	(Overall debt service per month is 41% of \$3,388)	

**OTHER HOUSEHOLD DEBT SERVICE**

Car Payment	\$ 150
Credit Card Payment	<u>50</u>
Total Other Debt	\$ 200

A \$865 per month loan payment equates to borrowing \$143,000 at 5.88% for a 30 year term.

**SUBSIDY CALCULATION  
FOR A FAMILY OF FOUR EARNING \$3,388 PER MONTH**

Purchase Price of Property	\$ 280,000
Less Primary loan amount	<b>143,000</b>
Less down payment of 1%	<u>2,800</u>
<b>Equals "GAP"</b>	<b>\$ 134,200</b>
Plus estimated allowable settlement charges	<u>8,400</u>
<b>Equals Total Subsidy</b>	<b>\$ 142,600</b>

B. The housing unit selection process will be conducted by the homebuyers. Prior to making an offer to purchase an eligible housing unit (see Section 3.0), homebuyer shall provide seller with a disclosure containing the following provisions:

- 1) Homebuyer has no power of eminent domain and, therefore, will not acquire the property if negotiations fail to result in an amicable agreement;
- 2) Homebuyer's offer is an estimate of the fair market value of the housing unit, to be finally determined by a state-licensed appraiser;
- 3) The housing unit will be subject to inspection. The housing unit must comply with local codes at the time of construction and local health and

- safety standards;
- 4) All housing units built prior to January 1, 1978, will require a lead paint disclosure to be signed by both the homebuyer and Seller (Attachment E);
  - 5) Since the purchase would be voluntary, the seller would not be eligible for relocation payments or other relocation assistance;
  - 6) The seller understands that the housing unit must be either: currently owner-occupied, newly constructed, or vacant for three months prior to submission of the purchase offer;
  - 7) If the seller is not provided with a statement of the above six provisions prior to the purchase offer, the seller may withdraw from the agreement after this information is provided.
- C. Applicant submits executed standard form purchase and sale agreement and primary lender prequalification letter to Program Operator. The purchase and sale agreement will be contingent on the household and housing unit meeting Program eligibility requirements and receiving Program loan approval. Program Operator verifies applicant eligibility, housing unit and loan eligibility and amount of assistance to be provided consistent with these guidelines.
- D. Program Operator, where Program Operator is not the Sponsor, submits recommendation to the Sponsor for approval or denial, including the reasons for the recommendation. Sponsor determines Applicant's approval or denial, and instructs Program Operator to notify Applicant. Program Operator provides written notification to Applicant of approval or denial with reason and, if denied, a copy of the Program's appeal procedures.
- E. When Primary Lender requirements are met, Program funds are deposited into escrow, with required closing instructions and loan documents.
- F. At the time of escrow closing, the Sponsor shall be named as an additional loss payee on fire, flood (if required), and extended coverage insurance for the length of the loan and in an amount sufficient to cover all encumbrances or full replacement cost of the housing unit. A policy of Title Insurance naming the Sponsor as insured is also required.

#### 1.4. HOMEBUYER COSTS

- A. Eligible households must document that they have the funds necessary for down payment and closing costs as required by the Primary Lender and the Sponsor. The Program's down payment requirement (below) is in place even if the Primary Lender has a lower down payment requirement. If the Primary Lender has a higher down payment requirement, there is no additional down payment requirement required by the Program.
- B. Homebuyer must contribute a minimum down payment of one percent (1%) of the purchase price, but may contribute more if desired.



- C. Sponsor will not provide a subsidy that is greater than the amount of the primary mortgage [OPTIONAL WORDING MAY BE ADDED TO FURTHER RESTRICT MAXIMUM ASSISTANCE AMOUNT]. The subsidy will write down the cost of the primary lender's loan so that the payments of principal, interest, taxes, insurance, and mortgage insurance and HOA dues, if any, are within approximately 25 to 30% of the gross monthly household income. The Program Operator will determine the level of subsidy and affordability during underwriting of the Program's loan to make sure that it conforms to the requirements of the HCD funding Program.

#### 1.5. HOMEBUYER EDUCATION

Buying a home can be one of the most confusing and complicated transactions anyone can make. Providing the future homebuyer with informative homebuyer education training can bring success to the Sponsor, Program Operator, the Program and most importantly, the homebuyer. It has been documented that first-time homebuyers who have had homebuyer counseling have the ability to handle problems that occur with homeownership.

All Program participants are required to receive housing counseling prior to Program approval, delivered by a HUD-certified housing counselor who works for an organization certified by HUD to perform housing counseling. A list of such counseling entities is at <https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?searchstate=CA&filterLng=&filterSvc=&filterMultiState=&searchName=&searchCity=&searchZip=&searchService=PPC&searchLang=&searchAffiliation=&webListAction=Search>.

See Section 1.2.C above for housing counseling requirements.

#### 1.6. CONFLICT OF INTEREST REQUIREMENTS

When the Sponsor's program contains Federal funds, the applicable Conflict of Interest requirements of 24 CFR Section 570.611 shall be followed for CDBG assistance. Section 92.356 of the HOME Final Rule shall be followed for HOME assistance, as follows:

(a) Conflicts prohibited. No persons described in paragraph (b) of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to the HOME-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including stepparent), child (including stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild and in-laws of a covered person.

(b) Persons covered. The conflict of interest provisions of paragraph (a) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the participating jurisdiction, State recipient, or subrecipient which are receiving HOME funds.

(c) Exceptions: Threshold requirements. Upon the written request of the participating jurisdiction to HCD, HUD may grant an exception to the provisions of paragraph (a) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the participating jurisdiction's program or project. See 24 CFR 92.356(d)(1-6) for details on the documentation needed in order to submit an exception request to HUD.

A contractor with a vested interest in the property cannot bid on a rehabilitation project. Such a contractor may act as owner/builder, subject to standard construction procedures. Owner/builders are reimbursed for materials purchased which are verified by invoice/receipt and used on the project. Reimbursement occurs after the installation is verified by the Program Operator to be part of the scope of work. Owner/builders are not reimbursed for labor.

## 1.7. NON-DISCRIMINATION REQUIREMENTS

The Program will be implemented in ways consistent with the Sponsor's commitment to non-discrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity funded in whole or in part with State funds on the basis of his or her religion or religious affiliation, age, race, color, creed, gender, sexual orientation, marital status, familial status (children), physical or mental disability, national origin, or ancestry, or other arbitrary cause.

## 2.0 APPLICANT QUALIFICATIONS

### 2.1. CURRENT INCOME LIMITS FOR THE AREA, BY HOUSEHOLD SIZE

All applicants must certify that they meet the household income eligibility requirements for the applicable HCD program(s) and have their household income documented. The income limits in place at the time of loan approval will apply when determining applicant income eligibility. All applicants must have incomes at or below 80% of the County's area median income (AMI), adjusted for household size, as published by HCD.

**(See Attachment C for current income limits).**

**Household:** Means one or more persons who will occupy a housing unit. Unborn children **CHOOSE ONE AND DELETE THIS PROMPT AND ONE OF THESE TERMS, AND UNHIGHLIGHT:** count/don't count in family size determination.

**Annual Income:** Generally, the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

## 2.2. INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the published HCD income limits. Income qualification criteria, as shown in the most recent HCD program-specific guidance at <http://www.hcd.ca.gov/grants-funding/income-limits/income-calculation-and-determination-guide.shtml>, will be followed to independently determine and certify the household's annual gross income. The Program Operator should compare this annual gross income to the income the Primary Lender used when qualifying the household. The Primary Lender is usually underwriting to FHA or conventional guidelines and may not calculate the household income or assets in the same way as required by the Program. Income will be verified by reviewing and documenting tax returns, copies of wage receipts, subsidy checks, bank statements and third-party verification of employment forms sent to employers. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

### A. HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all adult household members that is projected to be received during the coming 12-month period, and will be used to determine program eligibility. Refer to Income Inclusions and Exclusions for further guidance to the types of incomes to be included or excluded when calculating gross annual income. For those types of income counted, gross amounts (before any deductions have been taken) are used. Two types of income that are not considered would be income of minors and live-in aides. Certain other household members living apart from the household also require special consideration. The household's projected ability to pay must be used, rather than past earnings, when calculating income.

**See Attachment A: 24 CFR Part 5 Annual Income Inclusions and Exclusions**

### B. ASSETS:

There is no asset limitation for participation in the Program. Income from assets, however, is recognized as part of annual income under the Part 5 definition. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. (*Note: it is the income earned – e.g. interest on a savings account – not the asset value, which is counted in annual income.*)

An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including, for example, penalties or fees for converting financial holdings, and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset.

**See Attachment B: Part 5 Annual Income Net Family Asset Inclusions and Exclusions**

### 2.3. DEFINITION OF AN ELIGIBLE HOMEBUYER

For CDBG, an eligible homebuyer means an individual or individuals or an individual and his or her spouse who meets the income eligibility requirements and is/are not currently on title to real property. Persons may be on title of a manufactured home unit, who are planning to sell the unit as part of buying a home located on real property. Documentation of homebuyer status will be required for all homebuyers. CDBG-funded programs may assist eligible homebuyers who are not “first-time” homebuyers.

HOME and CalHome-funded programs are required to use the following definition of an eligible homebuyer, which is a “first-time homebuyer” from 8201(m) Title 25 California Code of Regulations:

“First-time homebuyer” means an individual or individuals or an individual and his or her spouse who have not owned a home during the three-year period before the purchase of a home with subsidy assistance, except that the following individual or individuals may not be excluded from consideration as a first-time homebuyer under this definition:

1. a displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family;
2. a single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; or
3. an individual or individuals who owns or owned, as a principal residence during the three-year period before the purchase of a home with assistance, a dwelling unit whose structure is:
  - a. not permanently affixed to a permanent foundation in accordance with local or state regulations; or
  - b. not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.



### 3.0. HOUSING UNIT ELIGIBILITY

#### 3.1. LOCATION AND CHARACTERISTICS

- A. Housing units to be purchased must be located within the eligible area. The eligible area is described as follows: "Within the Name of City, or the unincorporated areas of the County of XXX."
- B. Housing unit types eligible for the homebuyer Program are new or previously owned single-family residences; condominiums; or manufactured homes in mobilehome parks, in common-interest developments or on a single-family lot and placed on a permanent foundation system. HOME does not allow manufactured homes unless on a permanent foundation system.
- C. All housing units must be in compliance with State and local codes and ordinances.
- D. Housing units located within a 100-year flood zone will be required to provide proof of flood insurance with an endorsement naming the City? County? as loss payee in order to close escrow.
- E. Housing must be "modest", in accordance with the federal HOME regulations at 24 CFR Part 92.254(a)(2). ~~NOW OPTIONAL, and SUBJECT TO EDITING BY GRANTEEES SUBJECT TO HCD APPROVAL:~~ The home must have no more than three bedrooms, two bathrooms, and a two-car garage. Larger homes are acceptable if necessary for only the following reasons:
- The family size necessitates additional bedroom(s); or
  - A reasonable accommodation is necessary due to the family's disability (e.g., an extra bedroom for an aide)
- Exceptions for these reasons must be approved by the Loan Committee and must be documented for monitoring purposes.

#### 3.2. CONDITIONS

- A. Construction Inspection and Determining Need for Repairs.

Once the participating homebuyer has executed a purchase agreement for a housing unit, and prior to a commitment of Program funds, the following steps must be taken for the housing unit to be eligible for purchase under the Program:

- 1) When the Sponsor's Program utilizes Federal funds and if the housing unit was constructed prior to 1978 then the lead-based paint requirements of Section 3.2.C will apply.
- 2) The Program Operator, a certified housing inspector, or a Sponsor representative

will walk through the housing unit, determine if it is structurally sound, and identify any code related and health and safety deficiencies that need to be corrected. A list of code related repair items will be given to the homebuyers and their Realtor to be negotiated with the seller. Only new construction and homes built within the previous 12 months and not previously occupied are not subject to a home inspection.

If there are one or more health and safety deficiencies, and/or violations of applicable building codes noted in the written report, the Sponsor will approve the subsidy only if:

- a. Repair prior to close of escrow. The buyer and seller agree to make necessary repairs to the dwelling unit prior to transfer of property ownership at their own expense or [DELETE EVERYTHING IN GREEN HERE AND JUST ABOVE IF NOT OFFERING OPTION "b"]
- b. HOME acquisition and rehabilitation loan. If HOME funds are available, the buyer may use some of the Sponsor's First-Time Homebuyer loan and other funds to make necessary and other repairs, to a maximum of 100% combined loan-to-value, unless up to 105% based on the purchase transaction. All health and safety hazards and code violations must be addressed under this option. Examples of allowable expenses include, but are not limited to: foundation repair, electrical repair or rewiring, plumbing or sewer repair, roof repair or replacement, heating and cooling system installation or repair, water damage repair, and repair of structurally-significant damaged wood. Weatherization, energy-related improvements and General Property Improvements are allowable, but General Property Improvements are limited under the HOME Program to a maximum of 15% of the overall rehabilitation cost. Buyers should note that the use of any Program funds for rehabilitation on a home built before 1978 may incur additional lead-based paint testing. Hiring of a contractor and completion of repairs will be conducted in accordance with the section entitled "Acquisition with Rehabilitation Process" below.

- 3) With the exception of 1)b. above, upon completion of all work required by the Program Operator, Sponsor, appraiser, pest inspector and/or certified housing inspector, a final inspection will be conducted prior to close of escrow. The inspector will sign off on all required construction work assuring that each housing unit receiving Program assistance is in compliance with local codes and health and safety requirements at the time of purchase and prior to occupancy.

- B. Per Section 8208 of the State HOME regulations, no additional HOME assistance, including rehabilitation funds, may be provided during the period starting one year following the filing of the Project Completion Report through the end of the Affordability Period.

The HOME Affordability Period is as follows (amount does not include Activity

Delivery Costs paid to the State Recipient by HCD):

Amount of HOME Assistance	Period of Affordability in Years
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

- C. **Lead-Based Paint Hazards:** All housing units built prior to 1978 for which HOME or CDBG funding is anticipated are subject to the requirements of this section 3.2.C. Such homes must undergo a visual assessment by a person who has taken HUD's online Visual Assessment course. Deteriorated paint must be stabilized using work safe methods. Clearance must be obtained after paint stabilization by a DHS certified LBP Risk Assessor/Inspector. HOME and CDBG general administrative and activity delivery funds may be used to pay for lead-based paint visual assessments, and if lead mitigation and clearance costs are incurred, these programs may incorporate the costs into the calculation of Program assistance.

The following requirements must be met:

- 1) **Notification:** a) Prior to homebuyer's obligation to purchase a pre-1978 home, the Buyer will be given the most recent copy of and asked to read the EPA pamphlet "*Protect Your Family From Lead in Your Home*". (EPA 747-K-94-001). A signed receipt of the pamphlet will be kept in the Sponsor's homebuyer file; b) A notice to residents is required following a risk assessment/inspection using form DHS 8552, which is provided by the DHS-certified Risk Assessor/Inspector; c) a notice to residents is required following lead-based paint mitigation work using Visual Assessment and Lead-based Paint Notice of Presumption and Hazard Reduction form, LBP – 1 (Attachment H).
- 2) **Disclosure:** Prior to the homebuyer's obligation to purchase a pre-1978 housing unit, the HUD disclosure (Attachment E), "Seller's Lead-based Paint Disclosure" notice must be provided by the seller to the homebuyer.
- 3)
- 4) **Inspections:** The Inspector shall conduct a "Visual Assessment" of all the dwelling unit's painted surfaces in order to identify deteriorated paint. All deteriorated paint will be stabilized in accordance with CFR 35.1330 (a) and (b); and a Clearance shall be made in accordance with CFR 35.1340.
- 5) **Mitigation:** If stabilization is required, the contractor performing the mitigation work must use appropriately trained workers. Prior to the contractor starting mitigation work the Program Operator shall obtain copies of the contractor's and workers' appropriate proof of LBP training, as applicable to the job in order to assure that only qualified contractors and workers are allowed to perform the mitigation.



- D. The Program Operator will: 1) confirm that the housing unit is within the eligible area, 2) will review each proposed housing unit to ensure that it meets all eligibility criteria before funding, and 3) ensure a completed Lead Compliance Document Checklist is placed in each purchaser's file (see Attachment I).

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### 3.3. ACQUISITION WITH REHABILITATION PROCESS

As noted above, when HOME funding is available for First-Time Homebuyer assistance, funds (from all sources) may be used to bring the unit into compliance with health and safety standards and/or to correct code violations. If such repairs are required, a portion of this money may be used to make accessibility modifications for a household member with a disability. Weatherization, energy-related improvements and General Property Improvements are allowable, but General Property Improvements are limited under the HOME Program to a maximum of 15% of the overall rehabilitation cost.

IMPORTANT: No later than six (6) months following close of escrow, repairs to the housing unit must address ALL health and safety and code issues, to be in compliance with HOME regulations; otherwise, the loan becomes due and payable.

If a portion of the Program loan is used for acquisition with rehabilitation, the following process will be followed:

- The buyer will be responsible for obtaining three (3) bids from qualified licensed contractors. The Sponsor's Program Operator has a list of qualified contractors, or the applicant may solicit bids from other licensed contractors if they meet the standards described below.
- Any funds used for rehabilitation on homes built prior to 1978 will require testing for lead based paint. If the total rehabilitation funds are equal to or less than \$5,000, all surfaces disturbed during rehabilitation and lead hazard reduction must be repaired using safe work practices. If total rehabilitation is between \$5,000 and \$10,000, lead based paint must either be presumed to be present or testing and risk assessment are required. Lead hazard reduction activities must be conducted using safe work practices. The Sponsor will provide a grant to cover all expenses incurred as a result of lead based paint as noted in the section entitled *Lead Based Paint Standards* below.
- Contractors must hold a current and valid State of California General Contractor's license if the work consists of correction of health and safety issues or code violations. For accessibility modifications, the Sponsor may exercise discretion regarding contractors' requirements. The contractor may not be on the State or Federal debarred contractor lists. The contractor must have current and valid general liability and workmen's compensation insurance if applicable. The contractor must provide a one-year warranty for the work per State regulations.



- The buyer will review the bids with the Program Operator and the Sponsor to ensure that the scope of work will correct any deficiencies, that it only includes allowable expenses and that the bids are reasonable, competitive and complete.
- The applicant will select a contractor from one of the Sponsor's/Program Operator's approved bids. All bidding contractors will be notified of the status of their proposals.
- The applicant will enter into a contract with the contractor (see Attachment J).
- The contractor will be responsible for securing all required permits for the scope of work.
- Work may not commence until the close of the acquisition loan.
- As work progresses, the contractor shall provide the buyer with a completed Payment and Construction Approval form (Attachment K) to request progress payments as outlined in the contract terms. The form must be signed by the contractor, the buyer, the inspector, and the Program Operator before a payment may be issued to the contractor.
- Final payment of a 10% retention will be released to contractor once the contractor submits the following to the Program Operator: (1) lien releases from any subcontractors, material suppliers, and laborers; (2) final or signed off Building Inspection card for contracted work (if applicable); (3) Notice of Completion.

### 3.4. ANTI-DISPLACEMENT POLICY AND RELOCATION ASSISTANCE

Eligible homes will be those that are currently owner-occupied or have been vacant for three months prior to the acceptance of a contract to purchase. A unit is ineligible if its purchase would result in the displacement of a tenant. It is not anticipated that the implementation of the Program will result in the displacement of any persons, households, or families. However, if tenant-occupied homes are included in the Program and relocation becomes necessary, the activity will be carried out in compliance with Sponsor's relocation plan, which describes how those permanently displaced will be relocated and paid benefits in accordance with the following Federal laws.

#### A. Uniform Relocation Assistance (URA) and Real Property Acquisition Policies Act of 1970

The federal URA and Real Property Acquisition Policies, as amended by the URA Amendments of 1987, contains requirements for carrying out real property acquisition or the displacement of a person, regardless of income status, for a project or program for which HUD financial assistance (including CDBG and HOME) is provided. Requirements governing real property acquisition are described in Chapter VIII. The implementing regulations, 49 CFR Part 24, require developers and owners to take certain steps in regard to tenants of housing to be acquired, rehabbed or demolished, including tenants who will not be relocated even temporarily.

**B. Section 104(d) of the Housing and Community Development Act of 1974**

Section 104(d) requires each contractor (CHDO or State Recipient), as a condition of receiving assistance under HOME or CDBG, to certify that it is following a residential anti-displacement plan and relocation assistance plan. Section 104(d) also requires relocation benefits to be provided to low-income persons who are physically displaced or economically displaced as the result of a HOME or CDBG assisted project, and requires the replacement of low-income housing, which is demolished or converted. The implementing regulations for Section 104(d) can be found in 24 CFR Part 570(a).

**3.5. PROPER NOTIFICATION AND DISCLOSURES**

- A. Upon selection of a housing unit, a qualified seller and homebuyer will be given the necessary disclosures for the Program. The homebuyer must have read and signed all Program disclosure forms. Any and all property disclosures must be reviewed and signed by the homebuyer and seller.
- B. All owners who wish to sell their housing units must receive an acquisition notice (Attachment F) prior to submission of the homebuyer's original offer. This notice will be included in the contract and must be signed by all owners on title. The disclosure must contain the items listed in 1.3.B. (required for federally-funded programs).

**4.0. PURCHASE PRICE LIMITS**

For HOME, the purchase price limits for this Program shall not exceed the HOME Homeownership Value Limit for Sponsor's County as updated by HCD.

*Note: For CalHome-funded loans, the home purchase price is limited as follows: The purchase price cannot exceed 100% of the area median purchase price as established by comparable sales or information provided by the California Real Estate Association.*

**Attachment C: HOME HOMEOWNERSHIP VALUE LIMIT** \*Sponsor will update these limits annually as HCD provides new information.

**5.0. THE PRIMARY LOAN**

Prior to obtaining a loan from the Sponsor, a homebuyer must provide evidence of approval for the maximum amount the Primary Lender is willing to loan (the "primary loan"), although the Program must limit the primary loan amount based on the maximum debt-to-income ratio maximums herein.

**A. QUALIFYING RATIOS**

The front-end (housing) debt-to-income ratio shall be between 25% and 30% and is the

percentage of a borrower's gross monthly income (before deductions) that would cover the cost of the loan principal and interest payment, property taxes, property insurance, and mortgage insurance and HOA dues, if any.

The back-end (total) debt-to-income ratio shall be between 28% and 35% and is the percentage of a borrower's gross monthly income that would cover the cost of housing as described in the paragraph above, plus any other monthly debt payments like car or personal loans and credit card debt, as well as child support and alimony payments.

## **B. INTEREST RATE**

As is required by the HOME NOFA, the primary loan must have a fixed interest rate that does not exceed, by greater than one percent, the FNMA 90-day rate, found at: <https://singlefamily.fanniemac.com/pricing-execution/historical-daily-required-net-yields>.

The applicable FNMA rate should be from the date the primary mortgage rate was locked, or else the date of HOME loan approval. No temporary interest rate buy-downs are permitted.

## **C. LOAN TYPE AND TERM**

The primary loan shall be fully amortized and have a term "all due and payable" in no fewer than 30 years. There shall not be a balloon payment due before the maturity date of the Program loan.

## **D. IMPOUND ACCOUNT**

All households will be required to have impound accounts for the payment of taxes and insurance to ensure they remain current.

# **6.0. THE PROGRAM LOAN**

## **A. MAXIMUM AMOUNT OF PROGRAM ASSISTANCE**

For HOME, the amount of Program assistance to a homebuyer toward purchase of a home shall not exceed the HOME Per-Unit Subsidy Limit for Sponsor's County per bedroom per the HCD website at <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml> and **shall never exceed the amount of the primary mortgage, without prior HCD programmatic approval.** See Attachment C of these Program Guidelines for current limits. Any approved "grant" amount for lead-based paint evaluation and reduction activities or for relocation assistance shall be included in this amount, as shall Activity Delivery Costs.

## **B. NON-RECURRING CLOSING COSTS**

Non-recurring costs such as credit report, escrow, closing and recording fees, and title report and title insurance, title updates and/or related costs may be included in the Program loan.



## C. AFFORDABILITY PARAMETERS FOR HOMEBUYERS

The actual amount of a buyer's Program subsidy shall be computed according to the housing ratio parameters specified in Section 5.0.A.. Each borrower shall receive only the subsidy needed to allow them to become homeowners ("the Gap") while keeping their housing costs affordable. The Program Operator will use the "front-end ratio" of housing-expense-to-income to determine if the amount of the proposed primary loan is acceptable and, ultimately, the Program subsidy amount required, bridging the gap between the acquisition cost (purchase price plus closing costs) less down payment, and the amount of the primary loan.

## D. RATE AND TERMS FOR PROGRAM LOAN

All Program assistance to individual households shall be made in the form of deferred payment (interest and principal) loan (DPL).

The Program loan's term shall be for 45 years. [TECHNICAL ASSISTANCE FROM HOME (please remove when editing): This must be at least as long as the primary mortgage period, and we recommend exceeding the term of the primary loan by 15 years, to allow time to pay the loan after the primary mortgage is paid off]

The Program loan's interest rate shall be 0% simple interest. [TECHNICAL ASSISTANCE FROM HOME (please remove when editing): this must be between 0-3%, and may even be different for seniors or other special needs groups, and/or involve forgiveness of interest over time to incent longevity in the home]

All Program loan payments shall be deferred because the borrowers will have their repayment ability fully utilized under the primary loan. Loan principal shall not be forgiven, and the loan period cannot be extended, except for loans that are resubordinated when a rate and term refinance is approved, per Attachment D.

## E. COMBINED LOAN-TO-VALUE RATIO

The loan-to-value ratio for a Program loan, when combined with all other indebtedness to be secured by the property, shall not exceed 100 percent of the sales price plus a maximum of up to 5 percent of the sales price to cover actual closing costs.

### 7.0. PROGRAM LOAN REPAYMENT

#### 7.1. PAYMENTS ARE VOLUNTARY

Borrowers may begin making voluntary payments at any time, without penalty.

## 7.2. RECEIVING LOAN PAYMENTS

- A. Program loan payments will be made to:

Name of State Recipient  
Address  
City, State, Zip

- B. The Sponsor will be the receiver of loan payments or recaptured funds and will maintain a financial record-keeping system to record payments and file statements on payment status. Payments shall be deposited and accounted for in the Sponsor's Program Income Account, as required by HCD programs. The Program lender will accept loan payments from borrowers prepaying deferred loans, and from borrowers making payments in full upon sale or transfer of the property. All loan payments are payable to the Sponsor. The Sponsor may at its discretion, enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Program.

## 7.3. DUE UPON SALE OR TRANSFER

In the event that an owner sells, transfers title, or discontinues residence in the purchased property for any reason, the principal balance of the DPL is due and payable, except:

- A. If the owner of the property dies, and the heir to the property meets income requirements, the First-Time Homebuyer definition, and intends to occupy the home as a principal residence, the heir may be permitted, upon approval of the Sponsor, to assume the loan at the rate and terms the heir qualifies for under the current participation guidelines. If the property owner dies and the heir does not meet eligibility requirements, the loan is due and payable.
- B. If an owner wants to convert the property to a rental unit, or any commercial or non-residential use, the loan is due and payable.
- C. The loan will be in default if the borrower fails to maintain required fire or flood insurance or fails to pay property taxes. See Attachment D on loan defaults for further information on property restrictions.

## 7.4. LOAN SERVICING POLICIES AND PROCEDURES

See Attachment D for local loan servicing policies and procedures. While the attached policy outlines a system that can accommodate a crisis that restricts borrower repayment ability, it should in no way be misunderstood: The loan must be repaid. All legal means to ensure the repayment of a delinquent loan as outlined in the Loan Servicing Policies and Procedures will be pursued.

## 7.5. LOAN MONITORING PROCEDURES

Sponsor will monitor Borrowers and their housing units annually to ensure adherence to Program requirements including, but not limited to, the following:

- A. Owner-occupancy
- B. Property tax payment
- C. Hazard insurance coverage
- D. Good standing on Primary loans
- E. General upkeep of housing units

## 8.0. PROGRAM LOAN PROCESSING AND APPROVAL

### A. Loan Processing

All homebuyers or their representatives will be sent out an eligibility packet with all the necessary forms, disclosures, information, and application. They should submit a complete application packet with all the Sponsor's Program loan documents executed as well as all the information from the Primary Lender. The Primary Lender should submit: 1) accepted property sales contract with proper seller notification; 2) mortgage application with good faith estimates and first mortgage disclosures; 3) full mortgage credit report and rent verification; 4) current third party income verifications and verifications of assets; 5) homeownership education certificate, if applicable; and 6) signed underwriting transmittal summary and final signed loan application, both from primary lender. Staff will work with local lenders to ensure qualified participants receive only the benefit from the Sponsor's Program needed to purchase the housing unit and that leveraged funds will be used when possible.

### B. Creditworthiness

Qualifying ratios are only a rough guideline in determining a potential borrower's creditworthiness. Many factors such as excellent or poor credit history, amount of down payment, and size of loan will influence the decision to approve or disapprove a particular loan. The borrower's credit history will be reviewed by the Sponsor and documentation of such maintained in the loan file. The Sponsor may elect to obtain a credit report or rely on a current copy obtained by the primary lender.

### C. Documents from Primary Lender

After initial review of the qualified homebuyer's application packet, the Program Operator will request any additional documents needed. Documents may be faxed, but originals shall be received through the mail before Program funds are committed to escrow. Based on receipt and review of the final documents, the Program Operator will do an income certification (using most recent HCD

program's guidance on income calculation and determination), and homebuyer certification (review of credit report and income taxes). Documentation of affordability will then be verified and subsidy requirement determined.

D. Disclosure of Program and Loan Information to Homebuyers

The Program's application and disclosure forms will contain a summary of the loan qualifications of the borrower with and without Program assistance. Housing ratios with and without Program assistance are also outlined in these guidelines. Information on the Program's application will be documented with third party verifications in the file. For example, the sales contract will provide the final purchase price and outline how much of the closing costs are to be paid by the seller, etc. The appraisal, termite and title report will provide information to substantiate the information in the sales contract and guide the construction inspection. The Program loan application will provide current debt and housing information and will be documented by the credit report and income/asset verifications. The Primary Lender's approval letter and estimated closing cost statement should reflect all the information in the loan package and show any contingencies of loan funding. Reviewing the Primary Lender's loan underwriting documentation will provide basic information about the qualification of the applicant and substantiate the affordability provided by the Program loan. By reviewing and crosschecking all the Primary Lender information, the final Program loan amount approved will fall within the affordability parameters of the Program.

**8.1. COMPLETION OF UNDERWRITING AND APPROVAL OF PROGRAM LOAN**

Once the loan approval package has been completed the Program Operator will submit it to the Sponsor for approval. Sponsor will review the request and may approve it with or without conditions. Upon approval, a final closing date for escrow is set and Program funds are accessed for the homebuyer.

**8.2. PRIMARY AND PROGRAM LOAN DOCUMENT SIGNING**

The homebuyer(s) sign promissory notes, loan agreements, deeds of trust, and statutory lending notices (Truth In Lending (TIL), etc.); the Deeds of Trust are recorded with the County Clerk/Recorder at the same time, and the request(s) for copy of Notice of Default are also recorded with the County Clerk/Recorder.

**8.3. ESCROW PROCEDURES**

The escrow/title company shall review the escrow instruction provided by the Program lender and shall issue a California Land Title Association (CLTA) and the American Land Title Association (ALTA) after closing. The CLTA policy is issued to the homebuyer and protects them against failure of title based on public records and against such unrecorded risks as forgery of a deed. The ALTA is issued to each lender providing



additional coverage for the physical aspects of the property as well as the homebuyer's title failure. These aspects include anything which can be determined by only physical inspection, such as correct survey lines; encroachments; mechanics liens; mining claims and water rights. The Program lender instructs the escrow/title company in the escrow instructions as to what may show on the policy; the amount of insurance on the policy (all liens should be covered) and the loss payee (each lender should be listed as a loss payee and receive an original ALTA).

## **9.0. SUBORDINATE FINANCING**

Subordinate loans may be used to cover mortgage subsidy costs that exceed the Program maximum loan amount. All subordinate liens must have the payments deferred and the term must be for at least as long as the term of the Program loan.

## **10.0. EXCEPTIONS AND SPECIAL CIRCUMSTANCES**

The Sponsor may make amendments to these Participation Guidelines. Any changes shall be made in accordance with regulations and approved by the Sponsor's HOME Program Representative or Program Manager. If internally required, the Sponsor's Loan Committee and/or governing body would then need to approve said changes.

### **10.1. DEFINITION OF EXCEPTION**

Any case to which a standard policy or procedure, as stated in the guidelines, does not apply or an applicant treated differently from others of the same class would be an exception.

### **10.2. PROCEDURES FOR EXCEPTIONAL CIRCUMSTANCES**

- A. The Sponsor or its agent may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including the Sponsor's recommended course of action and any written or verbal information supplied by the applicant.
- B. The Sponsor shall make a determination of the exception based on the recommendation of the Program Operator. The request can be presented to the Sponsor's loan committee and/or governing body for a decision.

## **11.0. DISPUTE RESOLUTION AND APPEALS PROCEDURE**

Any applicant denied assistance from the Program has the right to appeal. Complaints concerning the Program should be made to the Program Operator first. If unresolved in this manner, the complaint or appeal must be made in writing and filed with the Sponsor. The Sponsor will then schedule a meeting with the Loan Review Committee. Their

written response will be made within thirty (30) working days. If the applicant is not satisfied with the Committee's decision, a request for an appeal may be filed with the Sponsor's governing body. Final appeal must be filed in writing with HCD within one year after denial.

## ATTACHMENT A

### 24 CFR Part 5 ANNUAL INCOME INCLUSIONS AND EXCLUSIONS

#### 24 CFR Part 5 Annual Income Inclusions

##### §5.609 Annual income.

- (a) *Annual income* means all amounts, monetary or not, which:
- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
  - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
  - (3) Which are not specifically excluded in paragraph (c) of this section.
  - (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.
- (b) Annual income includes, but is not limited to:
- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
  - (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
  - (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
  - (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);
  - (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) *Welfare assistance payments.*

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

## **24 CFR Part 5 Annual Income Exclusions**

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in §5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]
- (14) Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.
- (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the FEDERAL REGISTER and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See <https://www.federalregister.gov/documents/2014/05/20/2014-11688/federally-mandated-exclusions-from-income-updated-listing> for most recent notice]

(d) *Annualization of income.* If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.



## **ATTACHMENT B**

### **PART 5 ANNUAL INCOME NET FAMILY ASSET INCLUSIONS AND EXCLUSIONS**

This table presents the 24 CFR Part 5 asset inclusions and exclusions as stated in the HUD Technical Guide for Determining Income and Allowances for HOME Program (Third Edition; January 2005).

#### **Inclusions**

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.
2. Cash value of revocable trusts available to the applicant.
3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
4. Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty).
6. Retirement and pension funds.
7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.
10. Mortgages or deeds of trust held by an applicant.

#### **Exclusions**

1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars and vehicles specially equipped for persons with disabilities.
2. Interest in Indian trust lands.
3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
4. Equity in cooperatives in which the family lives.
5. Assets not accessible to and that provide no income for the applicant.
6. Term life insurance policies (i.e., where there is no cash value).
7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.

## ATTACHMENT C

### HOME HOMEOWNERSHIP VALUE LIMITS FOR XXX COUNTY (Limits became effective 6/1/2021)

EXISTING CONSTRUCTION	NEW CONSTRUCTION (less than 12 months old)
\$XXX,XXX	\$XXX,XXX

[Note from HOME to remove: if you have exception limits approved by HOME, modify this table as needed and indicate from/through date of the exception]

### HOME PER-UNIT SUBSIDY LIMITS FOR XXX COUNTY (Limits effective 9/09/2021)

O-BDR	1-BDR	2-BDR	3-BDR	4-BDR
\$153,314	\$175,752	\$213,718	\$276,482	\$303,490

### INCOME LIMITS FOR XXX COUNTY\* (Limits became effective 6/1/2021)

<i>Number of Persons in Household</i>								
	1	2	3	4	5	6	7	8
80% of AMI	\$	\$	\$	\$	\$	\$	\$	\$

\*Sponsor will insert the limits for the county in which the Program is located, and will update the income limits annually as HCD provides new information. The link to the official, HCD-maintained Value, Subsidy, and Income limits is:

<http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml>

(for HOME and CDBG limits, choose “State CDBG, HOME and NHTF - Income, Value and Rent Limits”; for CalHome income limits, choose “Official State Income Limits”)

### SPONSOR STANDARDS FOR BEDROOMS AND BATHROOMS TO PREVENT OVERCROWDING

Maximum No. of Persons in the Household	Number of Bedrooms	Minimum Number of Bathrooms
1	SRO	1
1	0-BR	1
2	1-BR	1
4	2-BR	2
6	3-BR	2
8	4-BR	2
10	5-BR	3
12	6-BR	3

SEE ADDITIONAL OCCUPANCY FACTORS ON THE FOLLOWING PAGE



- **Children may share a bedroom, up to 2 children per bedroom.**
- **Children shall be permitted a separate bedroom from their parents.**
- **Adults not in a partner relationship may have their own bedroom.**
- **Same rules apply to mobile home units.**

The chart on the page above is used as a guide to overcrowding.

## ATTACHMENT D

### LOAN SERVICING POLICIES AND PROCEDURES FOR NAME OF STATE RECIPIENT

The Name of State Recipient, hereafter called "Lender," has adopted these policies and procedures in order to preserve its financial interest in properties whose "Borrowers" have been assisted with public funds. The Lender will to the greatest extent possible follow these policies and procedures, but each loan will be evaluated and handled on a case-by-case basis. The Lender has formulated this document to comply with state and federal regulations regarding the use of these public funds and any property restrictions, which are associated with them.

The policies and procedures are broken down into the following areas: 1) making required monthly payments or voluntary payments on a loan's principal and interest; 2) required payment of property taxes and insurance; 3) required Request for Notice of Default on all second mortgages; 4) loans with annual occupancy restrictions and certifications 5) required noticing and limitations on any changes in title or use of property; 6) required noticing and process for requesting a subordination during a refinance; 7) processing of foreclosure in case of default on the loan.

#### 1. Loan Repayments:

The Lender will collect monthly payments from those borrowers who are obligated to do so under Notes which are amortized promissory notes (or Lender will use \_\_\_\_\_ loan collection Company to collect payments). Late fees will be charged for payments received after the assigned monthly due date.

For Notes which are deferred payment loans, the Lender must accept voluntary payments on the loan. Loan payments will be credited to principal. The Borrower may repay the loan balance at any time with no penalty.

#### 2. Payment of Property Taxes and Insurance:

As part of keeping the loan from going into default, borrower must maintain property insurance coverage naming the Lender as loss payee. Except for HOME-funded loans, if Borrower fails to maintain the necessary insurance, the Lender may take out force placed insurance to cover the property while the Borrower puts a new insurance policy in place. All costs for installing the necessary insurance will be added to the loan balance at time of installation of Borrower's new insurance.

When a property is located in a 100-year flood plain, the Borrower will be required to carry the necessary flood insurance. A certificate of insurance for flood and for standard property insurance with an endorsement naming the City? County? as lender loss payee will be required at close of escrow. The lender will verify the insurance on an annual basis.

Property taxes must be kept current during the term of the loan. If the Borrower fails to maintain payment of property taxes then the lender may pay the taxes current and add the balance of the tax payment plus any penalties to the balance of the loan (not permissible when funded with HOME). The Lender requires Borrower to have impound accounts set up with their first mortgagee wherein they pay their taxes and insurance as part of their monthly mortgage payment.

#### 3. Required Request for Notice of Default:

When the Borrower's loan is in second position behind an existing first mortgage, it is the Lender's policy to prepare and record a "Request for Notice of Default" for each senior lien in front of Lender's loan. This document requires any senior lienholder listed in the notice to notify the lender of initiation of a foreclosure action. The Lender will then have time to contact the Borrower and assist them in bringing the first loan current, if possible. The Lender can also monitor the foreclosure process and go through the necessary analysis to determine if the loan can be made whole or preserved. When the Lender is in a third position and receives notification of foreclosure from only one senior lienholder, it is in their best interest to contact any other senior lienholders regarding the status of their loans.

#### 4. Annual Occupancy Restrictions and Certifications:

On owner-occupant loans, the Lender will require that Borrowers submit utility bills and/or other documentation annually to prove occupancy during the term of the loan. For CDBG, some loans may have income and housing cost evaluations, which require a household to document that they are not able to make amortized loan payments, typically every five years. These loan terms are incorporated in the original Note and Deed of Trust. On HOME-funded loans, annual occupancy verification will occur [Option #1: within 45 days of the anniversary date of the loan; Option #2: between [NAME OF MONTH] 1 and 15 of each year for the term of the loan].

#### 5. Required Noticing and Restrictions on Any Changes of Title or Occupancy:

In all cases where there is a change in title or occupancy or use, the Borrower must notify the Lender in writing of any change. Lender and Borrower will work together to ensure the property is kept in compliance with the original Program terms and conditions such that it remains available as an affordable home for low-income families. These types of changes are typical when Borrowers do estate planning (adding a relative to title) or if a Borrower dies and property is transferred to heirs or when the property is sold or transferred as part of a business transaction. In some cases, the Borrower might move and turn the property into a rental unit without notifying the Lender. Changes in title or occupancy must be in keeping with the objective of benefit to low-income households (below 80 percent of AMI).

Change from owner-occupant to owner-occupant occurs at a sale. When a new owner-occupant is not low-income, the loan is not assumable and the loan balance is immediately due and payable. If the new owner-occupant qualifies as low-income, the purchaser may either pay the loan in full or assume all loan repayment obligations of the original owner-occupant, subject to the approval of the Lender's Loan Committee (depends on the HCD program).

If a transfer of the property occurs through inheritance, the heir (as owner-occupant) may be provided the opportunity to assume the loan at an interest rate based on household size and household income, provided the heir is income eligible. If the heir intends to occupy the property and is not low-income, the balance of the loan is due and payable. For CDBG only, if the heir intends to act as an owner-investor (not permitted under HOME), the balance of the loan may be converted to an owner/investor interest rate and loan term and a rent limitation agreement is signed and recorded on title. All such changes are subject to the review and approval of the Lender's Loan Committee.

Change from owner-occupant to owner-investor occurs when an owner-occupant decides to move out and rent the assisted property, or if the property is sold to an investor. If the owner converts any assisted unit from owner-occupied to rental, the loan is due in full.

Conversion to use other than residential use is not allowable where the full use of the property is changed from residential to commercial or other. In some cases, Borrowers may request that the Lender allow for a partial conversion where some of the residence is used for a business but the household still resides in the property. Partial conversions can be allowed if it is reviewed and approved by any and all agencies required by local statute. If the use of the property is converted to a fully non-residential use, the loan balance is due and payable.

For CalHome, the following transfers of interest shall not require the repayment of the CalHome Program loan:

- A. transfer to a surviving joint tenant by devise, descent, or operation of law on the death of a joint tenant;
- B. a transfer, in which the transferee is a person who occupies or will occupy the property, which is:
  - 1) a transfer where the spouse becomes an owner of the property;
  - 2) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the property; or
  - 3) a transfer into an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the property.

#### 6. Requests for Subordinations:

When a Borrower wishes to refinance their existing first mortgage, they must submit a subordination request to the Sponsor. The Sponsor will subordinate their loan only when there is no "cash out" as part of the refinance. No cash out means there are no additional charges on the transaction above loan and escrow closing fees. There can be no third-party debt payoffs or additional encumbrances on the property above traditional refinance transaction costs. The refinance should lower the existing housing cost of the household. The total indebtedness on the property should not exceed the current market value except when the borrower is obtaining a HARP II or other similar federally approved refinance loan. If the HARP II or other similar financing is approved and meets all other requirements, Combined Loan-To-Value will not be considered when reviewing the subordination request.

Also, the loan must:

1. be fully amortized and have a fixed interest rate that does not exceed the current market rate, as established by an index identified in the most recent NOFA;
2. not have a temporary interest rate buy-down;
3. have a term "all due and payable" that matures prior to or concurrently with the maturity date of the Promissory Note. Therefore, the maturity date of the existing Promissory Note should be modified to coincide with the maturity date of the new first mortgage; and,
4. not have a balloon payment due before the maturity date of the Program loan.

Upon receiving the proper documentation from the refinance lender, the request will be considered by the loan committee for review and approval. Upon approval, the escrow company will provide the proper subordination document for execution and recordation by the Sponsor.

#### 7. Process for Loan Foreclosure:

Upon any condition of loan default: 1) non-payment; 2) lack of insurance or property tax payment; 3) change in title or use without approval; 4) default on senior loans, the Lender will send out a

letter to the Borrower notifying them of the default situation. If the default situation continues then the Lender may start a formal process of foreclosure.

When a senior lienholder starts a foreclosure process and the Lender is notified via a Request for Notice of Default, the Lender, who is the junior lienholder, may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount or payoff amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges and fees to date. Lender must confer with Borrower to determine if, upon paying the senior lienholder current, the Borrower can provide future payments. If this is the case then the Lender may cure the foreclosure and add the costs to the balance of the loan with a Notice of Additional Advance on the existing note. HOME funds may not be used for this purpose.

If the Lender determines, based on information on the reinstatement amount and status of Borrower, that bringing the loan current will not preserve the loan, then staff must determine if it is cost effective to protect their position by paying off the senior lienholder in total and restructure the debt such that the unit is made affordable to the Borrower. If the Lender does not have sufficient funds to pay the senior lienholder in full, then they may choose to cure the senior lienholder and foreclose on the property themselves. As long as there is sufficient value in the property, the Lender can afford to pay for the foreclosure process and pay off the senior lienholder and retain some or all of their investment.

If the Lender decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Lender fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the Lender determines the reinstatement and maintenance of the property not to be cost effective and allows the senior lienholder to complete foreclosure, the Lender's lien may be eliminated due to insufficient sales proceeds.

#### Lender as Senior Lienholder

When the Lender is first position as a senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the Lender may consider foreclosure. Lender's staff will consider the following factors before initiating foreclosure:

- 1) Can the loan be cured and can the rates and terms be adjusted to allow for affordable payments such that foreclosure is not necessary?
- 2) Can the Borrower refinance with a private lender and pay off the Lender?
- 3) Can the Borrower sell the property and pay off the Lender?
- 4) Does the balance warrant foreclosure? (If the balance is under \$5,000, the expense to foreclose may not be worth pursuing.)
- 5) Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the Lender may opt to initiate foreclosure. The Borrower must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the Lender to prevent foreclosure (such as, funds to bring a delinquent BMIR current or pay off a DPL).

At the end of thirty days, the Lender should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the Lender of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the Lender informed of the progress of the foreclosure proceedings.

When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the Lender could sell the home themselves under a homebuyer program or use it for an affordable rental property managed by a local housing authority or use it for transitional housing facility or other eligible use. The Lender could contract with a local real estate broker to list and sell the home and use those funds for program income eligible uses.



**ATTACHMENT E**  
**SELLERS LEAD-BASED PAINT DISCLOSURE**  
**Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards**  
**Lead Warning Statement**

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

**Seller's Disclosure**

- (a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):  
 (i)  Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).  
 \_\_\_\_\_  
 (ii)  Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- (b) Records and reports available to the seller (check (i) or (ii) below):  
 (i)  Seller has provided the purchaser with all available records and reports pertaining to Lead-based paint and/or lead-based paint hazards in the housing (list documents below).  
 \_\_\_\_\_  
 (ii)  Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

**Purchaser's Acknowledgment (initial)**

- (c)  Purchaser has received copies of all information listed above.  
 (d)  Purchaser has received the pamphlet Protect Your Family from Lead in Your Home.  
 (e)  Purchaser has (check (i) or (ii) below):  
 (i)  received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or  
 (ii)  waived the opportunity to conduct a risk assessment or inspection for the presence of Lead-based paint and/or lead-based paint hazards (NOT PERMISSIBLE FOR HOME AND CDBG).

**Agent's Acknowledgment (initial)**

- (f)  Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

**Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____	_____	_____	_____
Seller	Date	Seller	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Agent	Date	Agent	Date

**ATTACHMENT F**

**Disclosure to Seller with Voluntary, Arm's Length Purchase Offer  
DECLARATION**

This is to inform you that \_\_\_\_\_ would like to purchase the property, located at \_\_\_\_\_, if a satisfactory agreement can be reached. We are prepared to pay \$ \_\_\_\_\_ for a clear title to the property under conditions described in the attached proposed contract of sale.

Because Federal funds may be used in the purchase, however, we are required to disclose to you the following information:

1. The sale is voluntary. If you do not wish to sell, the buyer, \_\_\_\_\_, thru the agency, \_\_\_\_\_ will not acquire your property. The buyer does not have the power of eminent domain to acquire your property by condemnation (i.e. eminent domain) and the agency/Sponsor \_\_\_\_\_ will not use the power of eminent domain to acquire the property.
2. The estimated fair market value of the property is \$ \_\_\_\_\_ and was estimated by \_\_\_\_\_, to be finally determined by a professional appraiser prior to close of escrow.

Since the purchase would be a voluntary, arms length, transaction you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the contract of sale, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, we will take no further action to acquire it. If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to us: \_\_\_\_\_ . If you have any questions about this matter, please contact \_\_\_\_\_ at \_\_\_\_\_ .

Sincerely,

\_\_\_\_\_  
Title

\_\_\_\_\_  
*Buyer*

\_\_\_\_\_  
Date

\_\_\_\_\_  
*Buyer*

\_\_\_\_\_  
Date

***Form continues on next page with Seller's Acknowledgment***



## Acknowledgement

As the Seller I/we understand that the \_\_\_\_\_ will inspect the property for health and safety deficiencies. I/we also understand that public funds may be involved in this transaction and, as such, if the property was built before 1978, a lead-based paint disclosure must be signed by both the buyer and seller, and that a Visual Assessment will be conducted to determine the presence of deteriorated paint.

As the Seller, I/we understand that under the City's? County's? program, the property must be currently owner-occupied, vacant for three months at the time of submission of purchase offer, new (never occupied), or renter purchasing the unit. I/we hereby certify that the property is:

Vacant at least 3 months;  Owner-occupied;  New; or  Being Purchased by Occupant

*I/we hereby certify that I have read and understand this "Declaration" and  a copy of said Notice was given to me prior to the offer to purchase. If received after presentation of the purchase offer, I/We choose  to withdraw or  not to withdraw, from the Purchase Agreement.*

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

**ATTACHMENT G**  
**NAME OF STATE RECIPIENT**

INSTRUCTIONS TO HOMEBUYER

- A. Participant works with lender of choice to obtain the primary lender's pre-qualification letter.
- B. Program Operator reviews paperwork to determine program eligibility and financing affordability for participant.
- C. Program Operator staff meets with qualified applicant to provide information relative to the program requirements, the lending process, and homeownership responsibilities.
- D. After consultation with Program Operator regarding approved bedroom and bathroom maximums, if any, and HOME Value Limit, participant works with real estate agent to select home. Program disclosures are reviewed with agent for presentation to seller. The HOME Program allows only homes vacant for three months or more prior to the date of the purchase offer, unless the current tenant is purchasing the home or the seller has been the only occupant during those three months, in order to avoid the necessity to pay permanent relocation benefits.
- E. Participant selects home and enters into a purchase contract (contingent upon receiving Program loan approval). Lender provides the Program Operator with a copy of:
  - real estate sales contract, including all addendums and counteroffers, all fully-executed
  - residential loan application and credit report
  - verified income documentation
  - disclosure statement
  - proof of personal funds for participation in program
  - breakdown of closing costs
  - structural pest control clearance
  - appraisal with photos and preliminary title report
- F. Program Operator has home inspected to document health & safety and code compliance. Notice of any deficiencies or needed corrections are given to participant's real estate agent, with recommended course of action. Only new construction and homes built within the previous 12 months and not previously occupied are not subject to a home inspection.
- G. Program Operator requests loan approval from Sponsor's Loan Review Committee. Following loan approval, Program Operator prepares Deed of Trust, Promissory Note, Request for Notice of Default, Grant Agreement, Owner-Occupant Agreement with **City? County?** and Escrow Instructions, and requests check and deposits same into escrow.
- H. Escrow company furnishes Program Operator with proof of documents to be recorded, and any escrow closeout information. After receipt of recorded loan documents, Final escrow Settlement Statement, Insurance Loss Payee Certification and Final Title Insurance Policy (Program Operator) closes out the loan file.

**ATTACHMENT H  
LEAD-BASED PAINT**

**VISUAL ASSESSMENT, NOTICE OF PRESUMPTION, AND HAZARD REDUCTION FORM**

<b>Section 1: Background Information</b>			
Property Address:			No LBP found or LBP exempt <input type="checkbox"/>
Select one:	Visual Assessment <input type="checkbox"/>	Presumption <input type="checkbox"/>	Hazard Reduction <input type="checkbox"/>

<b>Section 2: Visual Assessment.</b> Fill out Sections 1, 2, and 6. If paint stabilization is performed, also fill out Sections 4 and 5 after the work is completed.	
Visual Assessment Date:	Report Date:
Check if no deteriorated paint found <input type="checkbox"/>	
Attachment A: Summary where deteriorated paint was found.	

<b>Section 3: Notice of Presumption.</b> Fill out Sections 1, 3, 5, and 6. Provide to occupant w/in 15 days of presumption.	
Date of Presumption Notice:	
Lead-based paint is presumed to be present <input type="checkbox"/> and/or Lead-based paint <i>hazards</i> are presumed to be present <input type="checkbox"/>	
Attachment B: Summary of Presumption:	

<b>Section 4: Notice of Lead-Based Paint Hazard Reduction Activity.</b> Fill out Sections 1, 4, 5, and 6. Provide to occupant w/in 15 days of after work completed.	
Date of Hazard Reduction Notice:	
Initial Hazard Reduction Notice? Yes <input type="checkbox"/> No <input type="checkbox"/>	Start & Completion Dates:
If "No", dates of previous Hazard Reduction Activity Notices:	
Attachment C: Activity locations and types.	
Attachment D: Location of building components with <u>lead-based paint remaining</u> in the rooms, spaces or areas where activities were conducted.	
Attachment E: Attach clearance report(s), using DHS form 8552 (and 8551 for abatement activities)	

<b>Section 5: Resident Receipt of Notice for Presumption or Lead-Based Paint Hazard Reduction Activity</b>		
Printed Name:	Signature:	Date:

<b>Section 6: Contact Information</b>		Organization:
Contact Name:		Contact Signature:
Date:	Address:	Phone:

## ATTACHMENT I

### Homebuyer Program Lead Compliance Document Checklist

The following documents should be in each Homebuyer unit file to document compliance with the lead requirements:

<b>Document Name</b>	<b>Purpose</b>	✓
Lead Safe Housing Rule Screening Sheet	Documents exemptions	
Physical inspection form (HQS or equivalent)	Documents visual assessment results	
Seller Certification	Seller certifies that paint was stabilized by qualified workers and that safe work practices were followed during paint stabilization	
Clearance Report and Clearance Review Worksheet	Documents that unit passed clearance	
Disclosure Form	Documents that buyer received disclosure and pamphlet.	
Lead Hazard Reduction Notice	Documents that buyer received required lead hazard reduction notification.	

This was taken from the HUD Website at:

[http://portal.hud.gov/hudportal/documents/huddoc?id=20264\\_leadcompliance.doc](http://portal.hud.gov/hudportal/documents/huddoc?id=20264_leadcompliance.doc)

## ATTACHMENT J

### ACQUISITION WITH REHABILITATION CONSTRUCTION CONTRACT

#### Home Improvement Construction Contract

This Home Improvement Construction Contract is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the following parties: (Owner(s) Name): \_\_\_\_\_ and (Contractor's Name and Address): \_\_\_\_\_

(Notice of Cancellation, see paragraph 28, may be sent to Contractor at the above address).

The parties agree as follows:

1. **Work to be Performed:** Contractor agrees to provide a Schedule of Work, in accordance with the Work Write-up (Attachment 1) and furnish all supervision, technical personnel, labor, materials, tools and equipment necessary to complete the work described in the work write-up attached hereto at the real property commonly described as: \_\_\_\_\_ Contractor will be responsible for all construction means, methods, techniques, sequences and procedures and for the coordination of all portions of the work under the Contract. All materials shall be new, unless otherwise specified, and of good quality. Owner has a right to require the Contractor to have a performance and payment bond; the expense of the bond may be borne by the Owner.
2. **Contract Price:** Owner agrees to pay Contractor the sum of \$ \_\_\_\_\_ for the work to be performed.
3. **Completion Time:**
  - a. **Approximate Start Date:** The Contractor agrees to file a complete permit application within ten (10) days after receipt of written Notice to Proceed from the Owner. Owner and Contractor agree that the Start Date of construction shall be the date the permits are issued by the **Name of State Recipient**. In no event shall the Contractor commence work or place any materials on the site thereof prior to receipt of Notice to Proceed from the Owner.
  - b. **Approximate Completion Date:** Contractor shall prosecute the work diligently and continuously to completion. The work shall be completed within \_\_\_\_\_ days after the Start Date, subject to such delays as are permissible under paragraph 7 herein below.
4. **Payment:**
  - a. Price will be paid to Contractor in installments based on completion of work tasks and individual item prices on the Work Write-up attached, and any Change Orders.
  - b. Contractor shall submit all required payment forms to Owner for approval of payment. Prior to authorization of payment, the Contractor shall provide lien releases for claims by subcontractors, laborers, and material suppliers involved in the work and/or represented by Contractor's invoices. Owner may also request written guarantees and warranties.
  - c. After approval by Owner, Contractor shall submit payment request forms to **name of Program Operator**, hereinafter referred to as "**XXX**." **XXX** shall then make payment to the Contractor. **XXX** may, at its option, inspect the work to ensure that it has been satisfactorily completed in accordance with the Contract requirements. Should **XXX** determine that work has not been performed in accordance with the Contract, **XXX** may, in its sole discretion, withhold or reduce payment in accordance with the terms of the agreement between Owner and **XXX**.
  - d. At the time the work is completed, the Contractor shall submit the final pay request along with the recorded Notice of Completion, final building inspection report, insulation certificate, any



- warranties and guarantees, conditional lien releases, and Section 3 report (for contracts over \$100,000).
- e. An amount equal to ten percent of the total Contract price, including any Change Orders, will be withheld by Owner and shall be paid to Contractor 35 days after notice of completion has been recorded, final inspection by the jurisdiction's building official and approval by Owner, provided that Contractor is not in default under this Contract. Final payment will be subject to withholding any amounts due to Owner for actual costs due to unexcused delays.
  - f. The payment of any progress payment shall not constitute acceptance of defective work or improper material, nor is it a waiver of the warranties or any other remedies to which the Owner may be entitled under the terms of this Contract
5. Relationship of the Parties to XXX: Work to be performed under this Contract is financed by funds from the Name of State Recipient and administered by XXX. Owner is solely responsible for monitoring all work performed under this Contract and enforcing the terms of this Contract. XXX shall inspect all work for the purposes of monitoring loan disbursements in accordance with terms of this Contract and enforcing the terms of the loan agreement. Inspections performed by XXX are solely for the protection of the lender and solely for the purpose of assuring that the construction is progressing reasonably and that the lender's collateral interest is adequately protected. Owner acknowledges that XXX's inspections are not for the purpose of assuring Contractor's compliance with applicable building codes. XXX shall not be liable under any circumstances for its failure to discover or require correction by Contractor of work that fails to comply with applicable building codes or for its failure to discover or require correction of any dangerous condition or defective work by contractor or by any subcontractor.
- XXX shall not, under any circumstances, have any liability either to the Owner or to the Contractor for any disbursement or refusal to approve of any disbursement requested by Contractor.
6. Failure to Commence Work: Failure by the Contractor without lawful excuse to substantially commence work within 20 days from the date specified in the Notice to Proceed is a violation of the Contractors' License Law.
  7. Excusable Delays: Contractor shall not be charged with delay in the completion of the work due to: any acts of Owner which cause delay; general strikes; acts of God or the public enemy; unavailability of materials, or casualty beyond Contractor's control, provided, however, that Contractor promptly (within 14 days) notifies Owner, in writing, of the cause of the delay. If the facts show the delays to be excusable under the terms of the Contract, the time for completion shall be extended for a period equal to the amount of time due to such delay.
  8. Unexcused Delays: The parties agree that the Owner would incur additional expenses as a result of Contractor's unexcused delays in the completion of the work. "Additional expenses" shall include but not be limited to housing and storage costs incurred by the owner due to the inability to fully occupy the property.
  9. Provisions for the Owner: While this Contract is in force, Owner shall permit Contractor the use of existing utilities including light, heat, power, and water, without charge, in order to carry out and complete the work. Owner may continue to occupy the premises during the rehabilitation but shall cooperate with Contractor to facilitate the performance of the work including the abandonment of limited areas as may be essential to the conduct of the work.
  10. Compliance with the Law: By signing this contract, the Contractor certifies that it is licensed and in good standing in California, and not listed on the Federal Consolidated List of Debarred, Suspended and Ineligible Contractors. Contractors are regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding

a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826. All work shall be completed in strict compliance with the laws, ordinances, rules, regulations and Codes of the State, County, and local governments, whether such applicable laws, ordinances, rules, regulations and codes are mentioned in this Contract or not. Contractor shall obtain, pay for, and provide permits and licenses, as required to complete all work outlined under this Contract.

Where applicable, Contractor agrees to the following provisions:

- a) Standard Contract Language, All Contracts and Subcontracts, pertaining to civil rights, HCD, age discrimination, rehabilitation acts assurance, etc. (see Attachment 2).
- b) By the statement below, Contractor hereby furnishes Owner with Contractor Notice in compliance with California Business and Professions Code Section 7159:

### **INFORMATION ABOUT THE CONTRACTORS' STATE LICENSE BOARD (CSLB)**

**CSLB is the state consumer protection agency that licenses and regulates construction contractors.**

**Contact CSLB for information about the licensed contractor you are considering including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.**

**Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.**

**For more information:**

Visit CSLB's Web site at [www.cslb.ca.gov](http://www.cslb.ca.gov)

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P. O. Box 26000, Sacramento, CA 95826

- c) The contractor hereby agrees to abide by the requirements of Executive Order 11246 and all implementing regulations of the Department of Labor.

11. Notice to Owner (see Attachment 3).

12. Required Insurance: Contractor shall obtain and keep in effect during the life of this contract, insurance in the following minimum amounts:

Worker's Compensation and Employer's Liability Insurance meeting the statutory requirements of the State of California.

Comprehensive General Liability and Property Damage Insurance with Combined Single Limits of at least \$1,000,000. This insurance shall be on an occurrence basis and shall protect the Contractor against liability arising from: Contractor's operations, operations by subcontractors, products, completed operations or professional liability where applicable and contractual liability assumed under the indemnity provisions above insured. Any Excavation, Collapse and Underground exclusions must be deleted when applicable to operations performed by the Contractor or his subcontractors.

An original certificate of such insurance shall be filed with XXXX. Said certificate shall evidence coverage through the life of this Contract.

13. Safety to Public and Property: Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. In such, Contractor shall provide reasonable protection to prevent damage, injury, and loss to: all employees on the work, all work and materials and equipment to be incorporated therein and other property at the site or adjacent thereto, including trees, shrubs, lawns, pavements, structures, and utilities not designated for removal or replacement under the terms of this Contract.
14. Hold Harmless: With the exception that this Section shall in no event be construed to require indemnification by Contractor to a greater extent than permitted under the public policy of the State of California, Contractor shall indemnify and save harmless Owner and XXXX, including their officers, agents, employees, affiliates, parents and subsidiaries, and each of them, of and from any and all claims, demands, causes of action, damages, costs, expenses, actual attorneys fees, losses or liability, in law or in equity, of every kind and nature whatsoever ("Claims") arising out of or in connection with Contractor's operations to be performed under this Agreement for, but not limited to:
  - (a) Personal injury, including, but not limited to, bodily injury, emotional injury, sickness or disease, or death to persons, including, but not limited to any employees or agents of Owner, XXXX, or any other subcontractor and/or damage to property of anyone (including loss of use thereof), caused or alleged to be caused in whole or in part by any negligent act or omission of Contractor or anyone directly or indirectly employed by Contractor or anyone for whose act Contractor may be liable regardless of whether such injury or damage is caused by a party indemnified hereunder.
  - (b) Penalties imposed on account of the violation of any law, order, citation, rule, regulation, standard, ordinance, or statute, caused by the action or inaction of Contractor.
  - (c) Infringement of any patent rights which may be brought against XXXX or Owner arising out of Contractor's work.
  - (d) Claims and liens for labor performed or materials used or furnished to be used on the job, including all incidental or consequential damages resulting to XXXX or Owner from such claims or liens.
  - (e) Contractor's failure to fulfill the covenants set forth in collective bargaining agreement, wage order or any other agreement or regulation concerning labor relations.
  - (f) Failure of Contractor to provide Casualty Insurance.
  - (g) Any violation or infraction by Contractor of any law, order, citation, rule, regulation, standard, ordinance or statute in any way relating to the occupational health or safety of employees, including, but not limited to, the use of XXXX's or other's equipment, hoist, elevators, or scaffolds. The indemnification provisions of (a) through (g) above shall extend to Claims occurring after this Agreement is terminated as well as while it is in force. Such indemnity provisions apply regardless of any active and/or passive negligent act or omission of Owner or XXXX or their agents or employees. Contractor, however, shall not be obligated under this Agreement to indemnify Owner or XXXX for Claims arising from the sole negligence or willful misconduct of Owner or XXXX or their agents, employees or independent contractors who are directly responsible to Owner or XXXX, or for defects in design furnished by such persons.
  - (h) Contractor shall:
    - i. At Contractor's own costs, expense and risk, defend any claims that may be brought or instituted by third persons, including but not limited to, governmental agencies or employees of Contractor, against XXXX or Owner or their agents or employees or any of them;



- ii. Pay and satisfy any judgment or decree that may be rendered against XXX or Owner or their agents or employees, or by any of them, arising out of any such Claim; and/or
  - iii. Reimburse XXX or Owner or their agents or employees for any and all legal expense incurred by any of them in connection herewith or in enforcing the indemnity granted in this Section.
- (i) All work covered by this Agreement done at the site or in preparing or delivering materials or equipment, or any or all of them, to the site shall be at the risk of Contractor exclusively until the completed work is accepted by XXX.
  - (j) The indemnities set forth in this Section shall not be limited by any insurance requirements set forth elsewhere within this agreement.
15. Assignment: Contractor shall not assign or transfer any right or obligation under this Contract without first obtaining the written consent of Owner. Any attempted assignment by Contractor shall be void.
16. Changes in Work to be Performed: No changes shall be made in the work, Contract price or Contract time for completion of work, except by written change order. The change order shall bear the signatures of the parties to this Contract and approved (by signature) as to propriety with funding requirements by XXX. No claim for an adjustment of Contract work, price or time will be valid unless so ordered. Payment for change orders that bear additional cost shall be made in accordance with paragraph 4, above.
17. Guarantees and Material Warranties: All labor, materials and installation shall be guaranteed for a period of one year from the date of final acceptance by Owner, when subjected to normal use and care, and provided Owner has complied, in full, with the terms and payments and other conditions of this Contract. Upon written notice from Owner, Contractor shall repair or remedy any defect in materials and workmanship within the one-year period specified. Contractor shall furnish Owner with and assign to Owner all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under this Contract.
18. Surplus Materials and Clean-up of Premises: All materials and equipment removed and not reused as a condition of this Contract shall remain or become the property of Owner, unless otherwise so stated in writing. All surplus materials as well as all rubbish and construction debris resulting from construction activities shall be removed promptly from the job site by Contractor. Upon completion of the work, Contractor shall leave the building and premises in a "broom-clean" condition.
19. Divisibility: It is intended that each paragraph of this agreement shall be viewed as separate and divisible, and in the event that any paragraph shall be held to be invalid, the remaining paragraphs shall continue to be in full force and effect.
20. Materials Restriction: Lead base paint hazards specified in the work write-up shall be mitigated in accordance with Federal Lead Based Paint regulations listed at 24 CFR 35. All new paint used must be a non-lead based paint.
21. Arbitration:
- a. Should any controversy arise out of or related to this Contract or the breach thereof, that falls within the provisions of 7085 et seq. of the California Business and Professions Code, other than a controversy based upon your failure to comply with a notice to return to the project under paragraph 23, the parties shall agree to submit the issue to Contractors State License Board (CSLB) arbitration. The decision of the arbitrator is final and binding on both parties. CSLB will pay for the hearing, the arbitrator, and the services of one Board-appointed expert

- witness per complaint. The parties are responsible for their own attorney fees, if any, and additional expert witnesses, if any.
- b. Any controversy arising out of or relating to this Contract, or the breach thereof, that does not qualify for CSLB arbitration, or the parties do not agree to CSLB arbitration, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order whom shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the party prevailing in any arbitration proceeding and in any litigation arising out of or relating to this contract shall be entitled to recover from the other all attorneys' fees and costs of arbitration.
22. Mechanics Liens: Contractor shall pay promptly all valid bills and charges for materials, labor or otherwise, in connection with or arising out of the rehabilitation of said property and will hold Owner free and harmless against all of them, filed against the property or any part thereof, and from and against all expense and liability in connection therewith, including but not limited to, court costs and attorneys' fees resulting or arising there from. Should any liens or claim of liens be filed for record against the property, or should Owner receive notice of any unpaid bill or charge in connection with the Contract, Contractor shall forthwith pay and discharge the same and cause the same to be released of record. Contractor authorizes XXX to issue joint checks as part of any disbursement otherwise payable to Contractor whenever XXX, in its sole discretion, determines that payment in this fashion is necessary in order to protect the interests of the Lender or the Owner. (See also, Notice to Owner, Attachment 3).
23. Termination of Contract: Should Contractor commit any of the acts specified in this paragraph, the Owner may, give 72 hours' notice in writing thereof to Contractor, to commence and continue thereafter to diligently prosecute the correction thereof, and if contractor fails to do so, then without prejudice to any other rights or remedies given Owner by law or by this contract, Owner may terminate the services of Contractor under this contract; take possession of said project and the premises on which it is located; take possession of all materials, located on such premises; and, complete said project by whatever method Owner may deem expedient. Contractor shall be deemed to have committed an act specified in this paragraph if contractor shall:
- a. refuse or fail to supply enough properly skilled workers or proper materials to complete said project in the time specified in this contract and in the approved time schedule.
  - b. fail to make prompt payment to subcontractors, laborers, or material men for labor performed on or materials furnished to said project;
  - c. fail to comply with the time schedule for completion of the project;
- The preceding notwithstanding, the following actions by the Contractor shall be deemed to be material breaches of the contract which are not subject to cure. Should Contractor commit any of the acts specified in this paragraph, the Owner may, by giving 72 hours' notice in writing thereof to Contractor, without prejudice to any other rights or remedies given Owner by law or by this contract, terminate the services of Contractor under this contract; take possession of said project and the premises on which it is located; take possession of all materials, located on such premises; and complete said project by whatever method owner may deem expedient:
- d. Commence with any proceedings of bankruptcy;
  - e. make a general assignment for the benefit of contractors;
  - f. persist in disregarding any law or ordinance relating to said project or the completion thereof;
  - g. suffer the revocation or suspension of its contractor's license.

24. Rights on Termination by Owner: Should Owner terminate the service of Contractor under this contract and complete said project pursuant to Paragraph 10 of this contract, the Contractor shall not be entitled to receive any further payment under this contract until said project is fully completed. On completion of said project by Owner, if the unpaid balance of the contract price exceeds the expenses incurred by Owner in completing said project, including any compensation paid by Owner for managerial, administrative, or supervisory services in completing said project, such excess shall be paid by Owner to Contractor. If the expense incurred by Owner in completion of said project exceeds the unpaid balance of the purchase price, Contractor shall pay such excess to Owner with thirty days following written demand by Owner.
25. Force Majeure: Neither Owner nor Contractor shall be deemed to be in default if performance of the improvements required by this contract is delayed or becomes impossible because of any act of God, war, earthquake, fire, civil commotion, epidemic, act of government, its agencies or officers, court order, or any other legitimate cause beyond the control of the party and not caused by the negligent, unreasonable or intentional acts of the party.
26. Availability of Funds: In the event the loan or grant of funds upon which this Contract is contingent is not approved, this Contract shall be considered null and void, and shall not create any liability to either Owner or Contractor.
27. Contract Nullity: This entire Contract shall be considered null and void if either of the following shall occur:
- a. Owner is not approved for funding to finance the Contract Price;
  - b. Owner chooses not to proceed with the project before construction begins.
28. Three-Day Right to Cancel: **“You, the Owner, have the right to cancel this contract within three business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the Contractor at the Contractor’s place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of this contract including this notice.**

**If you cancel, the Contractor must return any moneys paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the Contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the Contractor’s instructions on how to return the goods at the Contractor’s expense and risk. If you do make the goods available to the Contractor, and the Contractor does not pick them up within 20 days of the date of your notice of cancellation, you make keep them without any further obligation. If you fail to make the goods available to the Contractor, or if you agree to return the goods to the Contractor and fail to do so, then you remain liable for performance of all obligations under this Contract.”**

(continued on next page)

29. "You, the Owner, are entitled to a completely filled-in copy of this Contract, signed by both you and the Contractor, before any work may be started."

THE OWNER AND THE CONTRACTOR ACKNOWLEDGE THAT THEY HAVE READ, UNDERSTAND AND AGREE TO ALL PROVISIONS OF THIS CONTRACT INCLUDING ALL ADDITIONAL CONTRACT DOCUMENTS.

OWNER(S): \_\_\_\_\_

CONTRACTOR: \_\_\_\_\_

By: \_\_\_\_\_  
Business Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
License Number: \_\_\_\_\_  
Tax ID or Soc. Sec. # \_\_\_\_\_

Attachments:

- 1 – Work Write-up
- 2 – Standard Contract Language
- 3 – Notice to Owner

STANDARD CONTRACT LANGUAGE:  
ALL CONTRACTS AND SUBCONTRACTS

1. The Civil Rights, HCD, and Age Discrimination Acts Assurances:  
During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, or handicap, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, and the Age Discrimination Act of 1975, and all implementing regulations.
2. Rehabilitation Act of 1973 and the "504 Coordinator"  
The Grantee further agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8, including, but not limited to, for Grantees with 15 or more permanent full or part time employees, the local designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator".
3. The Training, Employment and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance:
  - a) The grant activity to be performed under this Agreement is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C 1701u. Recipients, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of Section 3 covered assistance to Section 3 residents in the order of priority provided in 24 CFR 135.34(a)(2).
  - b) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
  - c) The Grantee will include these Section 3 clauses in every contract and subcontract for Work in connection with the grant activity and will, at the direction of the State, take appropriate action pursuant to the contract or subcontract upon a finding that the Grantee or any contractor or subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135 and, will not let any contract unless the Grantee or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
  - d) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be a condition of the federal financial assistance provided to the project, binding upon the Grantee, its successors and assigns. Failure to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.
4. Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more



The Grantee hereby agrees to place in every contract and subcontract for construction exceeding \$10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246), the Standard Equal Employment Opportunity, and the Construction Contract Specifications. The Grantee furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts.

5. State Nondiscrimination Clause:

a) During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40) marital status, and denial of family care leave. Contractors and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Contractors and subcontractors shall comply with the provisions of the Housing Act (Government Code, Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7258 et seq.) The applicable regulations of the Fair Employment and Housing Commission implementing Government Regulations, are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

b) Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the contract.

6. Labor Standards –Federal Labor Standards Provisions

The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of:

Davis-Bacon Act (40 USC 276a-276a-5) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of Federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over \$2,000.

Copeland “Anti-Kickback” Act (47 USC 276(c)) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions.

Contract Work Hours and Safety Standards Act – CWHSSA (40USC 327-333) requires that workers receive “overtime” compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week.

Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

## NOTICE TO OWNER

"Under the California Mechanics' Lien Law, any contractor, subcontractor, laborer, supplier, or other person or entity who helps to improve your property, but is not paid for his or her work or supplies, has a right to place a lien on your home, land, or property where the work was performed and to sue you in court to obtain payment.

This means that after a court hearing, your home, land, and property could be sold by a court officer and the proceeds of the sale used to satisfy what you owe. This can happen even if you have paid your contractor in full if the contractor's subcontractors, laborers, or suppliers remain unpaid.

To preserve their rights to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are each required to provide you with a document called a "Preliminary Notice." Contractors and laborers who contract with owners directly do not have to provide such notice since you are aware of their existence as an owner. A preliminary notice is not a lien against your property. Its purpose is to notify you of persons or entities that may have a right to file a lien against your property if they are not paid. In order to perfect their lien rights, a contractor, subcontractor, supplier, or laborer must file a mechanics' lien with the county recorder which then becomes a recorded lien against your property. Generally, the maximum time allowed for filing a mechanics' lien against your property is 90 days after substantial completion of your project.

**TO INSURE EXTRA PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WISH TO TAKE ONE OR MORE OF THE FOLLOWING STEPS:**

- (1) Require that your contractor supply you with a payment and performance bond (not a license bond), which provides that the bonding company will either complete the project or pay damages up to the amount of the bond. This payment and performance bond as well as a copy of the construction contract should be filed with the county recorder for your further protection. The payment and performance bond will usually cost from 1 to 5 percent of the contract amount depending on the contractor's bonding ability. If a contractor cannot obtain such bonding, it may indicate his or her financial incapacity.
- (2) Require that payments be made directly to subcontractors and material suppliers through a joint control. Funding services may be available, for a fee, in your area which will establish voucher or other means of payment to your contractor. These services may also provide you with lien waivers and other forms of protection. Any joint control agreement should include the addendum approved by the registrar.
- (3) Issue joint checks for payment, made out to both your contractor and subcontractors or material suppliers involved in the project. The joint checks should be made payable to the persons or entities which send preliminary notices to you. Those persons or entities have indicated that they may have lien rights on your property; therefore, you need to protect yourself. This will help to insure that all person due are actually paid.
- (4) Upon making payment on any completed phase of the project, and before making any further payments, require your contractor to provide you with unconditional "Waiver and Release" forms signed by each material supplier, subcontractor, and laborer involved in that portion of the work for which payment was made. The statutory lien releases are set forth in exact language in Section 3262 of the Civil Code. Most stationery stores will sell the "Waiver and Release" forms if your contractor does not have them. The material suppliers, subcontractors, and laborers that you obtain releases from are those persons or entities who have filed preliminary notices with you. If you are not certain of the material suppliers, subcontractors, and laborers working on your project, you may obtain a list from your contractor. On projects involving improvements to a single-family residence or a duplex owned by the individuals, the person signing these

releases lose the right to file a mechanics' lien claim against your property. In other types of construction, this protection may still be important, but may not be as complete.

To protect yourself under this option, you must be certain that all material suppliers, subcontractors, and laborers have signed the "Waiver and Release" form. If a mechanics' lien has been filed against your property, it can only be voluntarily released by a recorded "Release of Mechanics' Lien" signed by the person or entity that filed the mechanics' lien against your property unless the lawsuit to enforce the lien was not timely filed. You should not make any final payments until any and all such liens are removed. You should consult an attorney if a lien is filed against your property."

**Read and acknowledged:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Dated



**ATTACHMENT K**  
**NAME OF STATE RECIPIENT OR PROGRAM OPERATOR**

CONSTRUCTION PAYMENT REQUEST # \_\_\_\_\_

Date \_\_\_\_\_

Participant \_\_\_\_\_ Project \_\_\_\_\_ Job # \_\_\_\_\_

Project Address \_\_\_\_\_

Total Contract Amount \$ \_\_\_\_\_ Payment Amount \$ \_\_\_\_\_

Contractor: \_\_\_\_\_ Construction Supervisor: \_\_\_\_\_

Items Completed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I request payment for work in progress on the above property. I certify that the work itemized above has been completed as of this date.

\_\_\_\_\_  
Contractor's Signature \_\_\_\_\_ Date \_\_\_\_\_

*NOTE: Ten percent (10%) of the total contract amount (including all change orders) will be retained by Name of Program Operator until 35 days after Notice of Completion is recorded.*

The items listed above have been completed satisfactorily. _____ Please release payment to Contractor as requested (or amended). OWNER'S SIGNATURE _____ DATE _____
--

APPROVED FOR PAYMENT: \_\_\_\_\_

**NAME OF PROGRAM OPERATOR** \_\_\_\_\_ DATE \_\_\_\_\_  Mail  
 Pick-up

NOTES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Distribution: **WHITE:**(Name of Program Operator)    **YELLOW:** Owner    **PINK:** Contractor    **GOLDENROD:** Supervisor

City of

# CORCORAN

Police Department

FOUNDED 1914

June 14, 2022

**STAFF REPORT**

**ITEM# 7C**

To: Corcoran City Council  
From: Reuben P. Shortnacy, Chief of Police  
Subject: Police Department Annual Report

Attached is the Corcoran Police Department 2021 Annual Report for your review.

# 2021 Annual Report



## Corcoran Police Department

Chief of Police

Reuben P. Shortnacy

## **Mission Statement**

*To provide quality law enforcement services to the community while maintaining the trust of those we serve.*

## **Vision Statement**

*To effectively work with the community to provide safe and secure neighborhoods*

## **Values**

*Integrity - Do what is right*  
*Loyalty - To the community and to CPD*  
*Teamwork - Working together*  
*Accountability - Holding ourselves responsible*

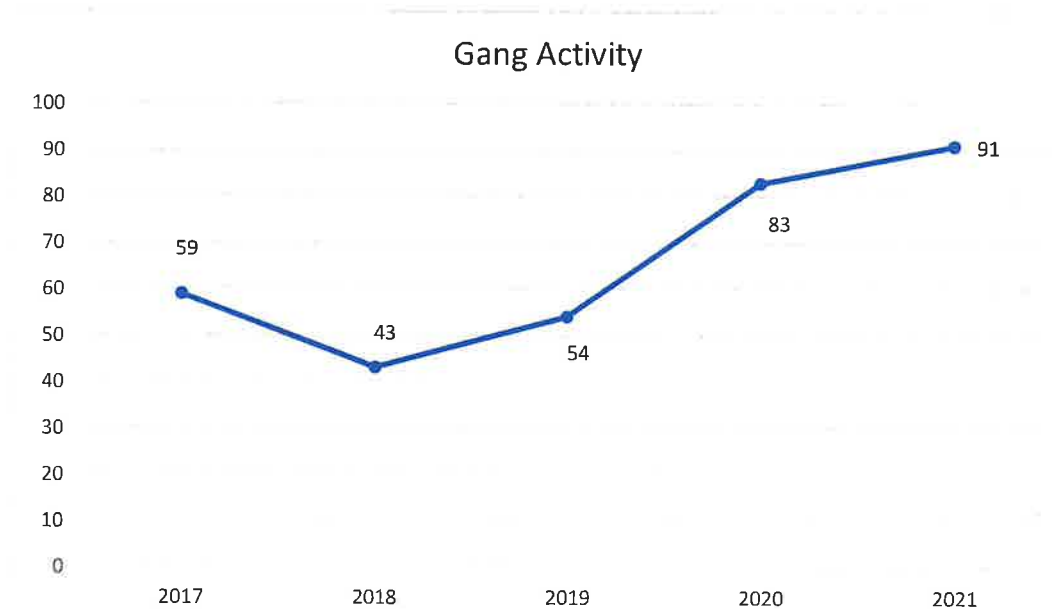
It is my pleasure to present to you the Corcoran Police Department Annual Report for 2021. This report covers the calendar year of 2021 and contains statistical information from previous years for review and comparison. I hope you find the report informative and invite any comments and/or questions.

**PERSONNEL/STAFFING**

As of this report we are fully staffed in all areas of the department.

**INVESTIGATIONS**

Our investigations unit operated with two investigators during this year. In 2021 our investigations unit handled a variety of cases including identity theft, forgery, assault with a deadly weapon, attempted homicide and child abuse. Detectives carried a total of 40 cases during 2021, 20 of which were closed or sent to the District Attorney’s office. This unit remains very busy, and a significant amount of the Investigator’s time is focused on gang related crimes.



So much of our investigator’s time is spent on gang related crimes. We have experienced a spike in gang related crimes over the past couple of years but are making significant progress addressing this issue. This will continue to be a priority for us.

## **K-9 Unit:**



Our K9 program began April 16, 2002. In March of 2015 the Gibby family, who own several Jack in the Box restaurants in the valley, held a fundraiser for the replacement of our K9. They raised nearly \$17,000 which allowed us to purchase a dog, the equipment and complete all of the initial training with no negative impact on our budget. We also received a donation from a local community member in the amount of \$1,200 for a ballistic vest for our K9. We are thankful for the amazing support that our K9 unit has received, and we are appreciative of the generosity. Our newest K9 was named “Jacki” after Jack in the Box. She is a Belgian Malinois, has completed all required training and certification and has been deployed since July of 2015.

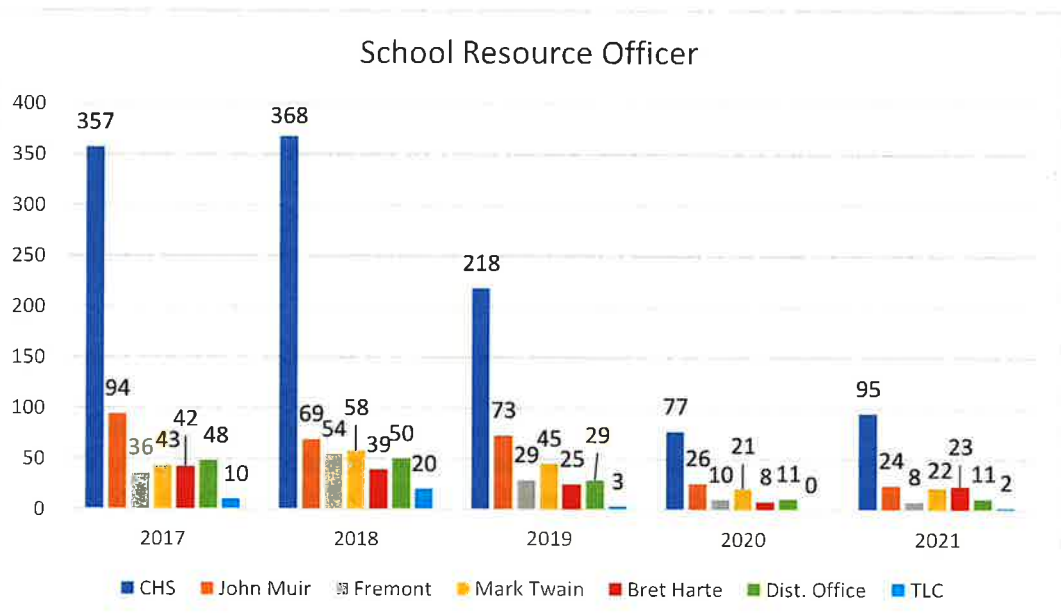
There was limited activity in our K9 program this year. K9 Handler, Corporal Daniel McAlister, was out on medical leave for an extended period. Nonetheless, Jacki conducted 3 searches, received 40 hours of training and was recertified in December of 2021 for patrol and narcotics use. Jacki continues to be a tremendous addition to the Corcoran PD team and continues to contribute to the safety of all those who live and work here.



**School Resource Officer:**



The Corcoran Police Department is committed to providing safe schools for our children and the presence of a School Resource Officer plays a vital role in this effort. The SRO's presence alone is a crime deterrent on campus, which includes sporting and special events. The success of the SRO program is attributed to the great working relationship we have enjoyed with the Corcoran Unified School District (CUSD). In partnership with CUSD we work to keep our students safe and, in an environment, conducive to learning. In 2021 we saw a transition back to an on-campus learning format, having been on distant learning due to the COVID-19. The SRO handled a total of 188 Calls for Service at our school sites. We are committed to being a liaison with our school district and continue to work with them during these interesting times. We look forward to our continued partnership with CUSD.



### **Police Explorer Program:**

Beginning in the early 1970's, the Corcoran Police Explorer Post 1500 is open to young men and women ages 14 through 21 years of age with an interest in learning more about careers in the law enforcement field. The program provides leadership and community service opportunities. Corcoran Police Explorers are provided a combination of classroom and practical training with Ride-Alongs in police vehicles and community policing activities. Explorers develop leadership skills, respect for community members, police officers and other explorers as well as learn law enforcement protocols.

In 2021 the Corcoran Police Explorers continued to be inactive due to COVID-19, which precluded us from having regular meetings with our Explorers and the majority of the events that they are involved with were cancelled. We have recently begun to meet with the Explorers and restart activities. We look forward to moving forward and re-energizing our Explorer Program that has seen so much success through the years.

### **Community Oriented Policing:**







Our dominant philosophy continues to be that of Community Oriented Policing (C.O.P). Our primary goal and commitment are to find long-term solutions to problems in our community. Our Community Relations and Community Policing efforts go a long way towards preventing crime and solidifying partnerships with community members and groups. We participate in many events throughout the year and take advantage of opportunities to connect with people and find common goals to keep our community safe. Many of our traditional events such as Coffee with a Cop and National Night Out had to be cancelled due to COVID-19; however, we still found ways to build relationship within our community and for opportunities to serve. In 2021 our officers and support staff participated in several events and look forward to getting back to our normal activities in the coming year. Once the COVID-19 pandemic hit we discontinued our Ride Along program in an effort to keep our staff safe, but we are starting that program back up in 2022.

### **Chaplain Program:**

The Chaplain Program began April 3, 2001, as an approach to meeting needs in our community. Chaplains work with law enforcement personnel on a professional level by making themselves immediately available as trained and caring professionals who can assist in times of loss, confusion, depression, or grief to people in crisis situations. The Chaplains provide this service not only to the community, but also to all department employees and their families as well.

The Chaplain Program is coordinated by department personnel and the Chaplain must be ordained or commissioned. He or she must attend specialized training for law enforcement chaplaincy.

We have one volunteer Chaplain, Jason Mahill (Harvest Community Baptist Church), who participates in the program. He is provided with necessary training and resources in return for many hours of volunteer service.

The duties of the Police Chaplain may include, but are not limited to:

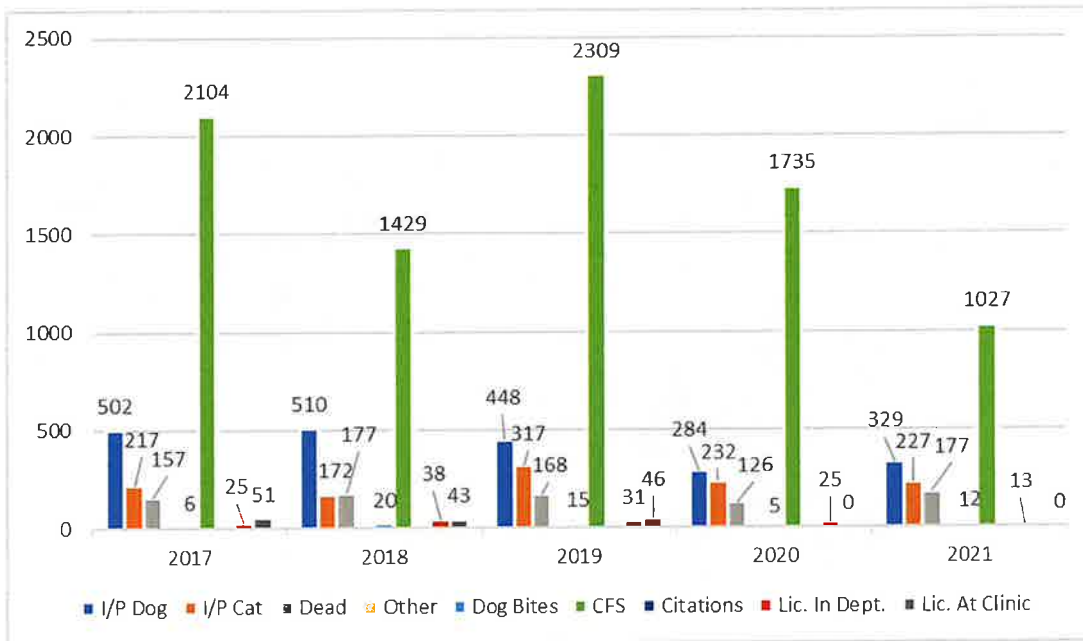
- Riding along with officers on routine patrol on various shifts.

- Accompanying a police officer to assist with notification of any death or serious injury.
- Working with police officers to assist in any kind of crisis situation where the presence of a trained chaplain might help.
- Counseling Department members in response to stress or family crisis problems.
- Visiting with sick or injured members of the Department at their home or in the hospital.
- Offering invocations at special occasions such as recruit graduations, award ceremonies, memorial ceremonies, dedications of buildings, etc.
- Serving on appropriate committees.
- Act as liaison with local ministerial associations and on matters pertaining to the moral, spiritual, and religious welfare of community members and police personnel.
- Assisting the Police Department in the performance of appropriate ceremonial functions.
- Providing practical assistance to victims.

## Animal Control:



In 2021 our Animal Control Officer responded to 1,027 Calls for Service, investigated 12 dog bites, issued 9 citations. We licensed a total of 13 dogs during 2021. Unfortunately, we were not able to host vaccination clinics in 2021 due to COVID-19, but we look forward to bringing them back in the near future. We will continue to introduce more animal care education to the community in the coming years as well as host clinics for vaccination, licensing and “chipping.” The “other” category represents animals such as coyotes, rabbits, snakes etc.



**Training:**

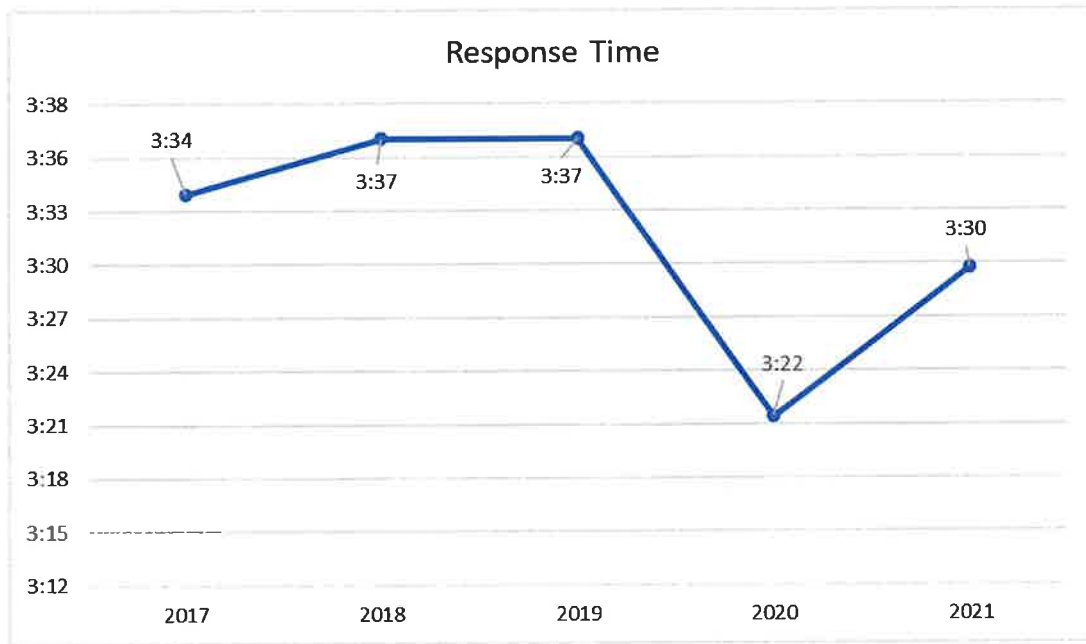






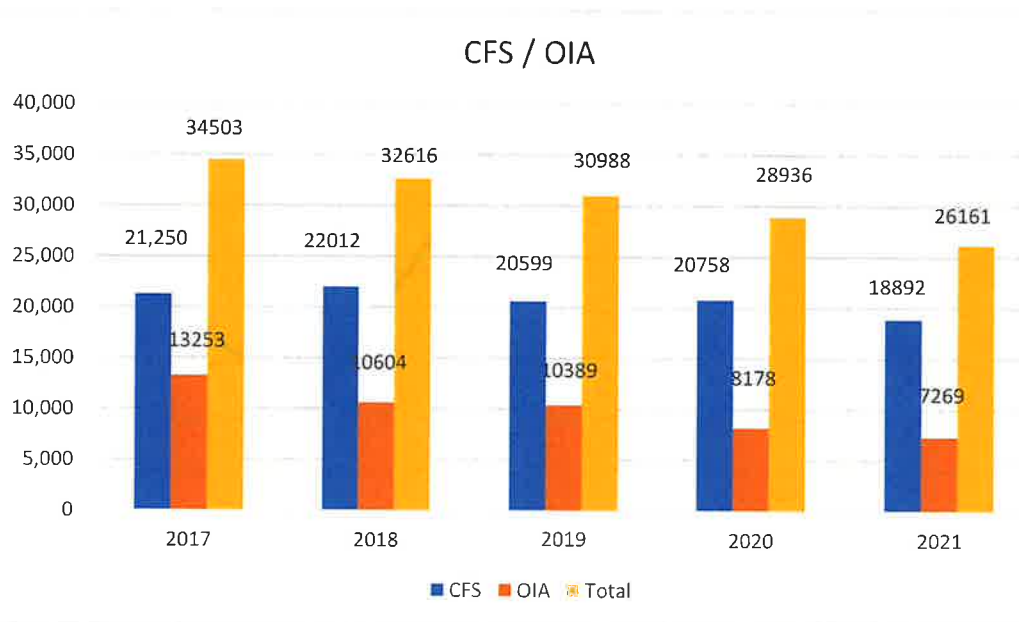
It is important for us to maintain our skill level and expertise in a variety of areas so that we are prepared to respond to and address any incident that may develop. The quality of the training that we receive directly impacts the quality of service that our community receives. During 2021 department personnel completed over 1,200 hours of training in various topics. Some of the training topics include Traffic Collision Investigation, Dispatcher Crisis Negotiations, Strategic Communications, Use of Force, Handling the Rising Tide of Suicide and Firearm use and safety.

**Response Times:**



These numbers represent an average response time for all priority-1 calls. There are a lot of things that impact this number such as staffing, call volume etc. However, we have maintained a good average response time overall.

## Calls for Service / Officer Initiated Activity:



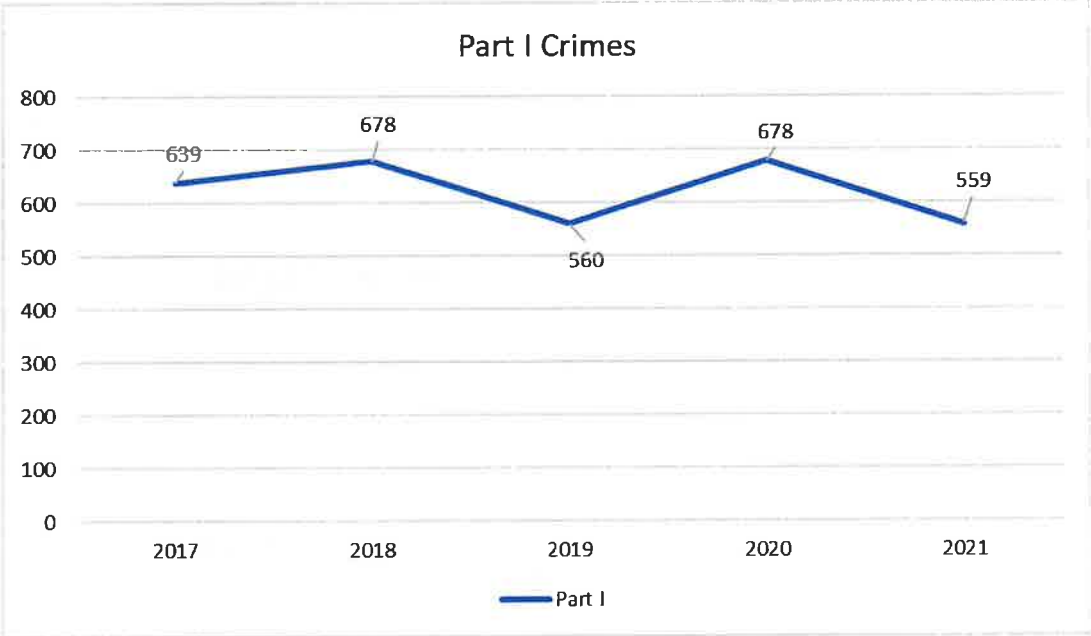
There was a decrease in total CFS from 2020 to 2021 of 9.59%. In looking at the chart above you can see our actual calls for service were slightly higher in 2020; however, we are starting to see these numbers rise as we come out of the Pandemic. We do believe these numbers will increase, not only this year, but in the years to come due to the impact of AB 109, Prop 47 and Prop 57.

## CRIME STATS

Much of our focus continues to be on Part I crimes. These are the more serious crimes and are represented in the following categories: homicide, rape, robbery, vehicle theft, burglary, assault, larceny and arson. Part II crimes are crimes such as embezzlement, vandalism etc. You can see in the illustration below that our Part I crimes have decreased significantly in 2021. Part I crimes are down 17.5% compared to 2020. The single biggest contributor to bringing down our Part I crimes in 2021 was the decrease in thefts. These numbers will fluctuate from time to time for a variety of reasons. There are many variables that affect this number to include staffing levels, trends and changes in the law. Although we have had much success in keeping Part I crime down overall, I anticipate that we may continue to see some increase. These categories are directly impacted by changes in the law such as AB 109, Prop 47 and Prop 57. In addition to these changes, we also saw many state prisoners released early in 2020 and 2021 to alleviate the prison population in an effort to slow the spread of COVID-19. On page 15 there is a chart that reflects a more detailed breakdown of Part I crime. Preventing and addressing Part I

crimes will continue to be our priority, as these are the crimes that most significantly impact quality of life.

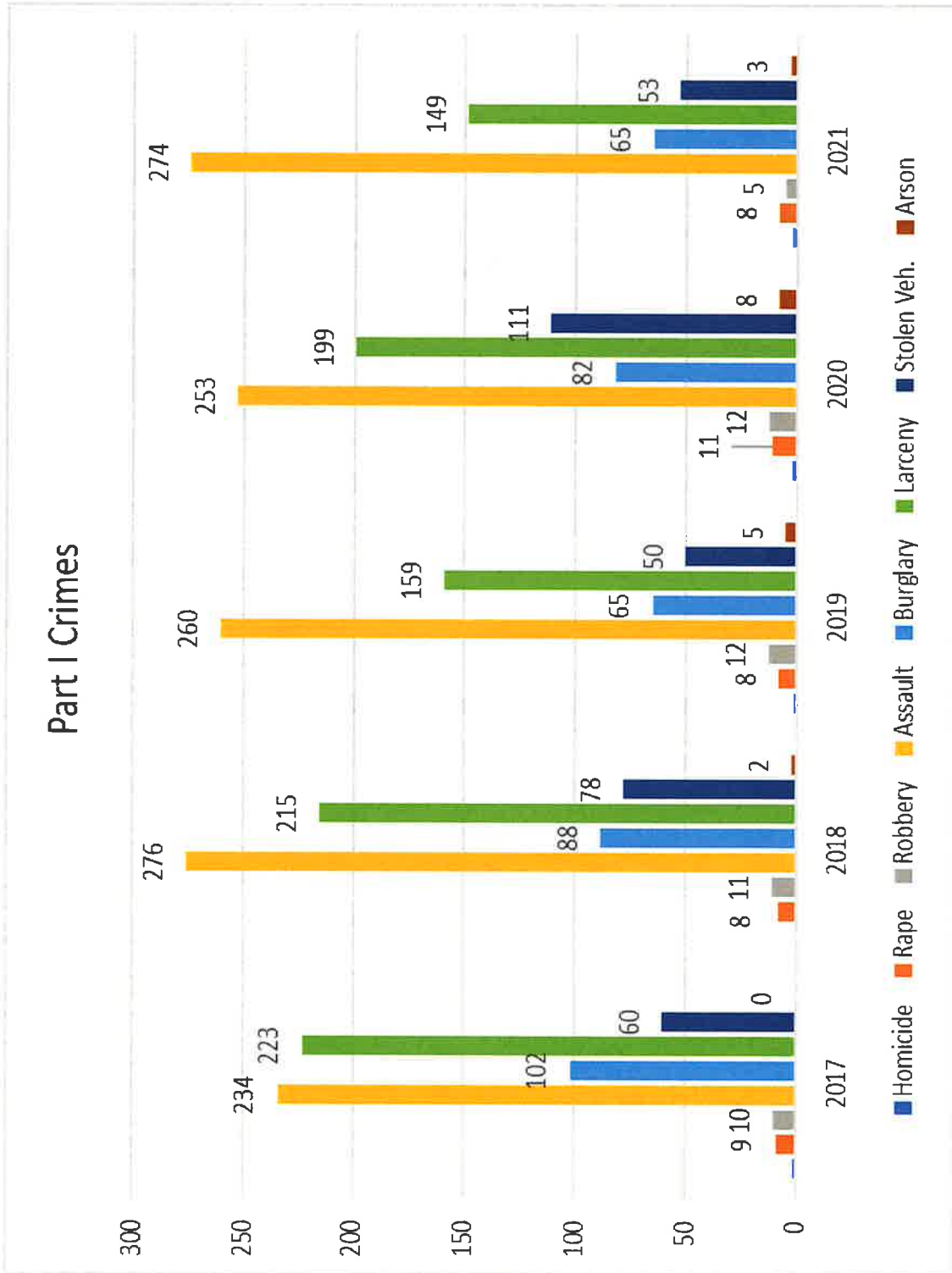
**Part I:**



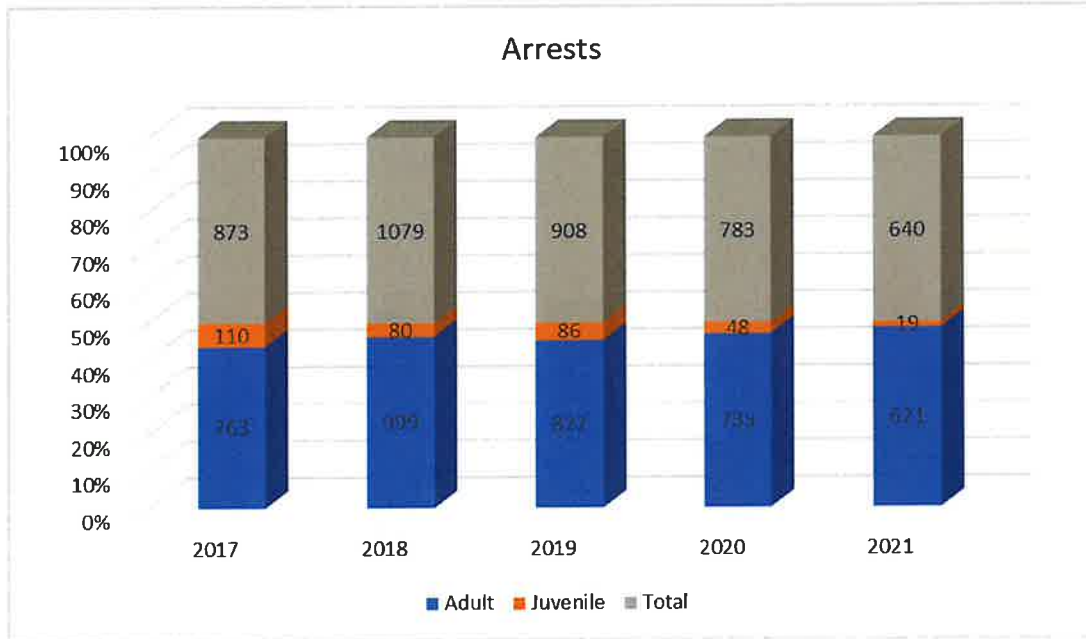
There is a 17.5% decrease in Part I crimes compared to 2020.



**Part I Crimes detailed:**

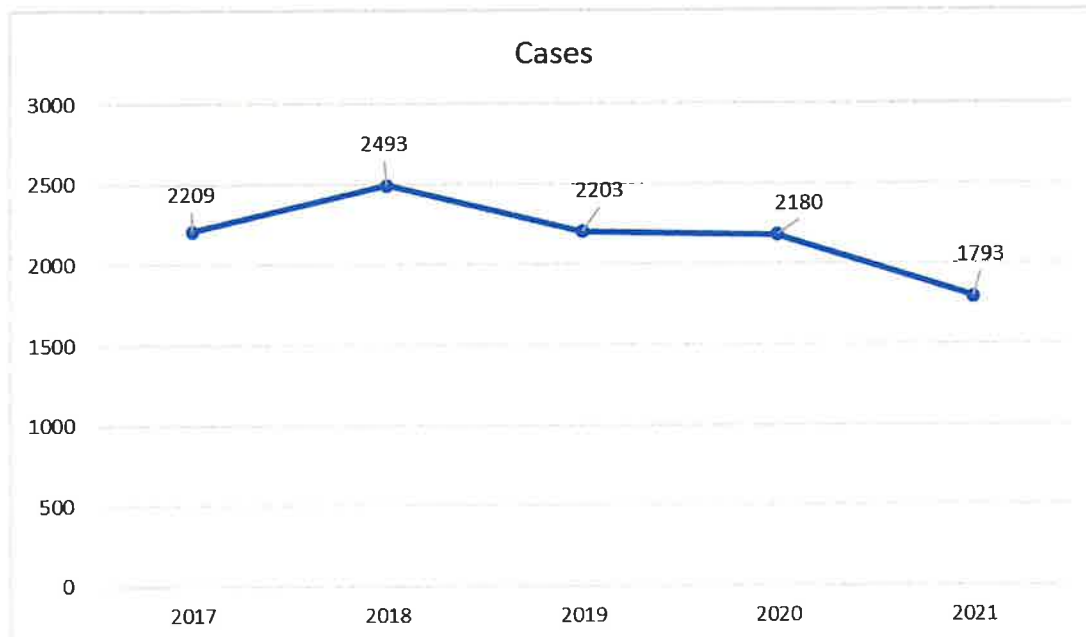


**Arrests:**



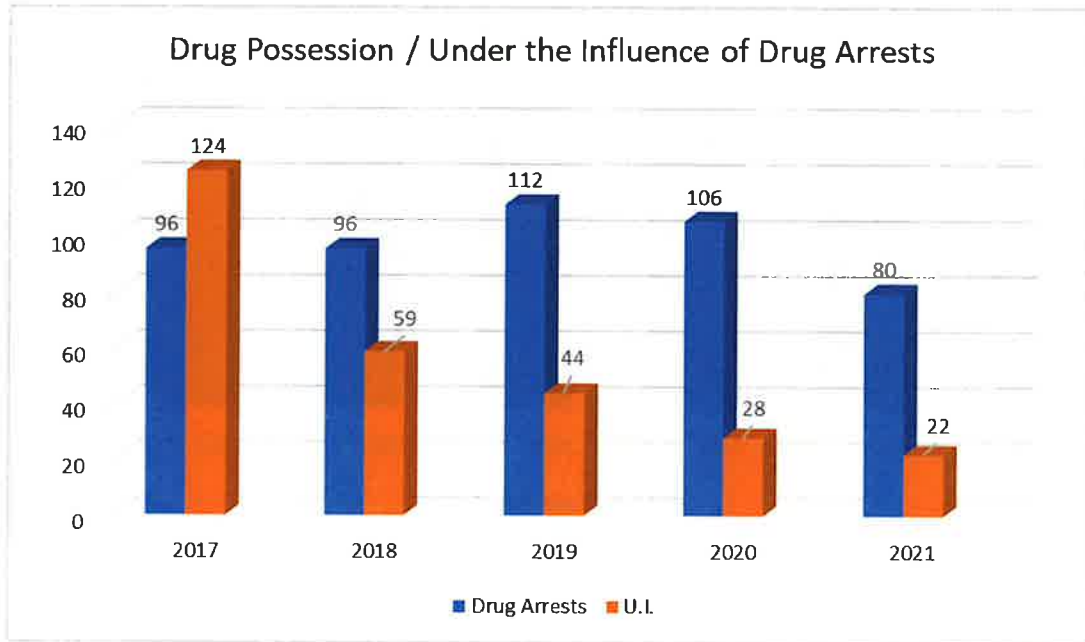
Arrests have decreased by 18.2% overall. Adult arrests are down by 15.51% compared to 2020 and juvenile arrests are down by 60.41%. These numbers are impacted significantly by the Pandemic.

**Cases:**



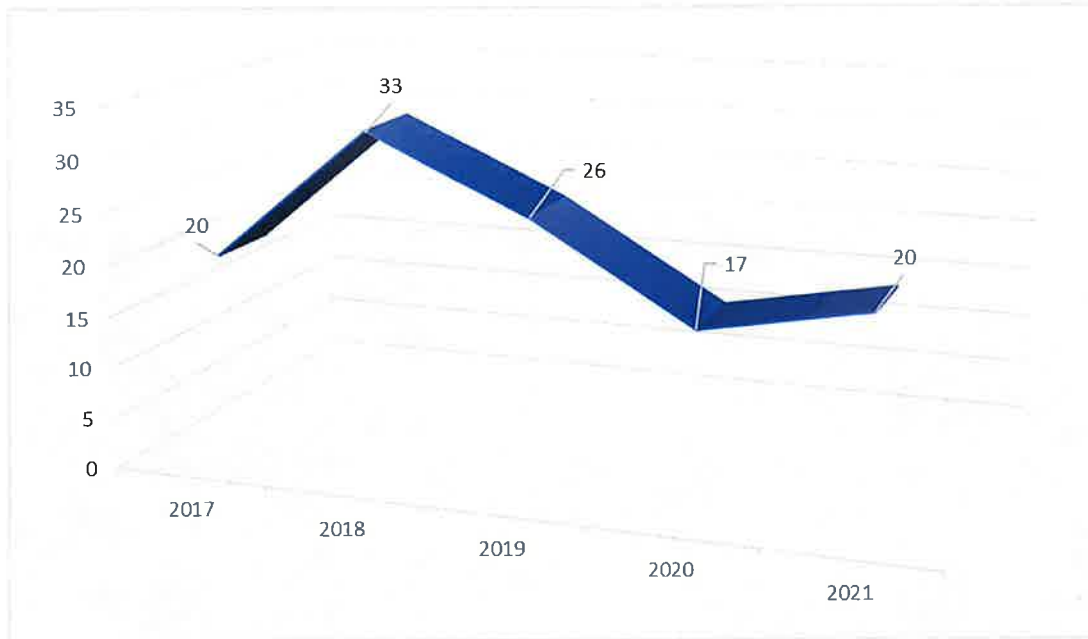
## **DRUG ENFORCEMENT**

### **Drug possession / under the influence of drug arrests:**



Over the years drug interdiction has been a council and police priority. We have enjoyed a decline in drug arrests for several years. However, we may likely experience crime and incidents related to drug use but with statistical drops in arrests. Many drug crimes have changed recently from felony to misdemeanor. The primary problem continues to be meth and heroin. Heroin has become much more dangerous with the presence of fentanyl in our communities.

### Identity Theft:



We have seen a slight increase in identity theft cases compared to 2020. However, overall, they are down. We will continue to aggressively investigate these cases as the impact of these crimes on victims can be significant and long-lasting.

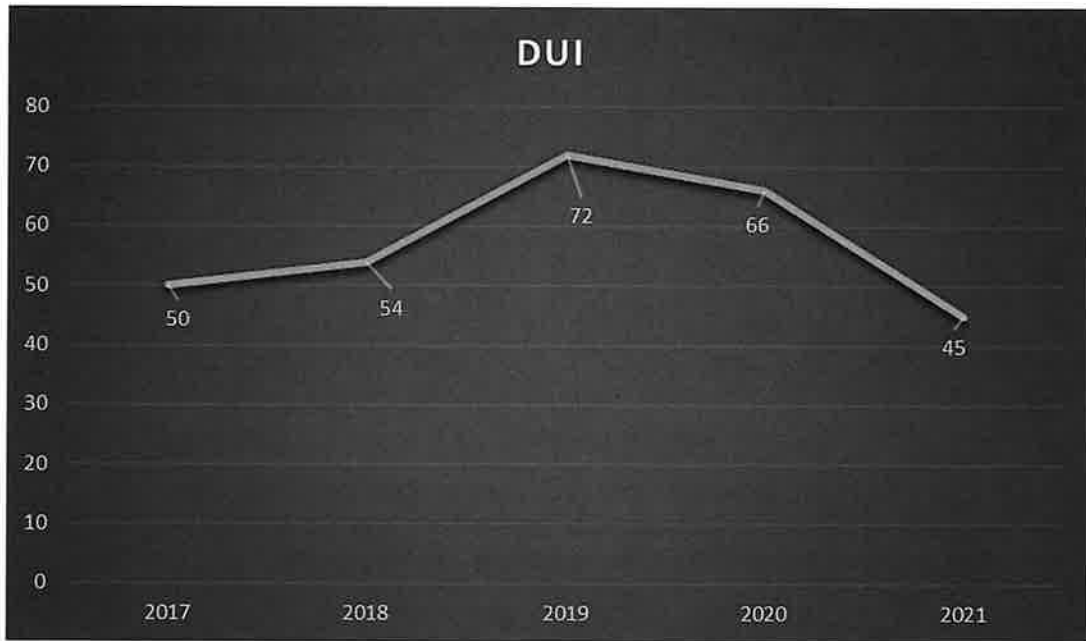
### TRAFFIC

#### Traffic Accidents:



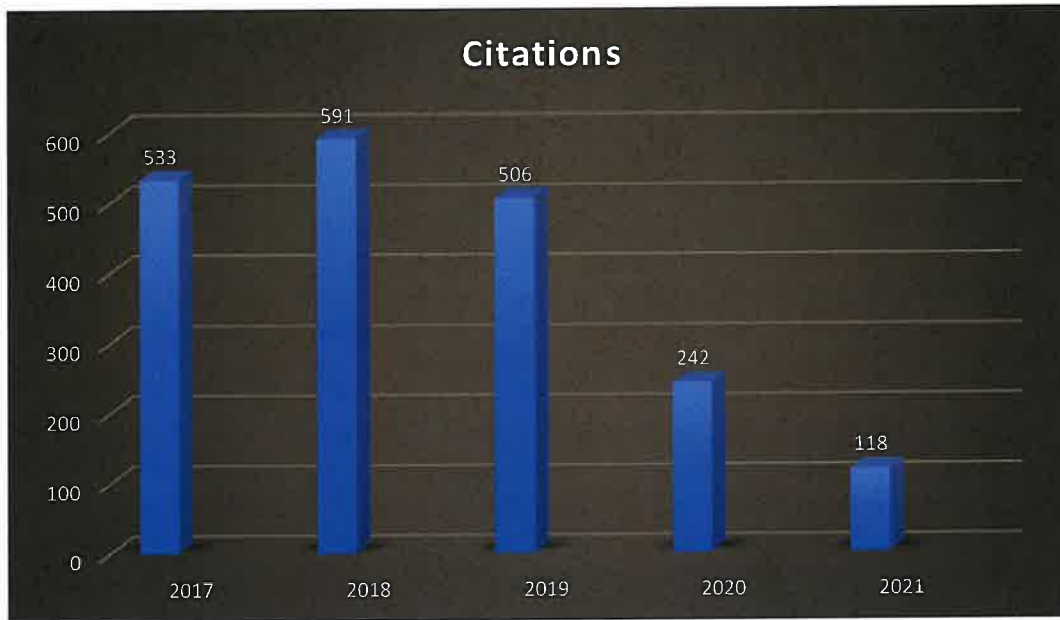
Traffic safety is consistently an area of public concern. We are sensitive to this, especially as it relates to our schools and business district and set it as a high priority. Right of Way violations are the primary cause for accidents and a significant part of our enforcement efforts. Total accidents have increased 9.77% compared to 2020, with the increase being non-injury traffic accidents.

**Driving Under the Influence:**



DUI arrests have dropped over the last couple years. We have seen a 31.81% decrease in arrests compared to 2020. Staffing impacts this number significantly as most DUI arrests are the result of officer-initiated activity. There is no doubt the Pandemic also contributed to this number.

**Traffic Citations:**



We continue to address a variety of traffic issues and concerns. We are sensitive to complaints such as u-turns, speeding, loud music and right of way violations. We concentrate a lot of our effort in school zones. Our goal is to keep our pedestrians and motorists safe while being responsive to traffic related complaints. These numbers have dropped due to Covid 19 and limiting our interaction with the public out of concern for their safety and that of our staff.

**FINAL COMMENTS**

The year 2021 brought us many challenges as we worked our way through the Pandemic while striving to provide a safe community for all. The COVID-19 pandemic impacted essentially all areas of our operation and reduced the amount of personal interaction we had with the public. We are grateful that we are getting back to normal activities and able to interact with our community members.

I want to point out a significant change in law enforcement that will impact this report moving forward. For more than 90 years law enforcement has collected and reported statistical data through what we call UCR (Uniform Crime Report). This changed in 2021 to what is now the National Incident-Based Reporting System (NIBRS) and the California Incident-Based Reporting System (CIBRS). This new collection method is intended to collect more detailed crime data. Our records staff now must report this data more frequently. The traditional Part I and Part II crimes that we have reported to you will change moving forward. A new baseline will have to be established for proper comparison from year-to-year.

During 2021 we had several officers out on injury. At one point there were a total of 5 officers out injured. This does not include the impact from those who had COVID-19. These vacancies had a significant impact on our operations and impact some of the numbers that you see throughout the report.

During 2021 I had the pleasure of serving as Acting City Manager while the Council went through a recruitment process. It was a great experience for me personally and professionally. It gave me an opportunity to work closely with the Council and other staff throughout the city. I wanted to express my appreciation to the council for your support and patience, to our Deputy Chief, Gary Cramer, for taking on a lot of work during that time and all the city staff for their patience and for the great work that they do. I would also like to thank our new City Manager, Greg Gatzka, for working diligently with me and others to ensure a smooth transition.

The City of Corcoran is a great community that the men and women of the Corcoran Police Department are honored to serve. The greatest asset to any community is the people and we are committed to continue to work side by side with everyone to keep our community safe. The support we receive from the City Council and members of this community never goes unnoticed and is always deeply appreciated.

City of

# CORCORAN

Police Department

FOUNDED 1914

June 14, 2022

**STAFF REPORT**

**ITEM# 7D**

To: Corcoran City Council  
From: Reuben P. Shortnacy, Chief of Police  
Subject: Discussion regarding illegal fireworks

The use of illegal fireworks has been increasing over the past several years. There has been some interest by council to discuss this growing problem. To give some perspective, in the past two years we have handled just under 200 calls for service reporting illegal fireworks. We have cited 15 individuals over the last 7 years. We know the problem continues to grow as we can all see it for ourselves. The violations that we would typically cite for have penalties ranging from a \$500 fine to \$1,000 fine and up to one year in jail. Enforcement is very challenging for a variety of reasons however, we will continue to look at creative ways to address this growing problem



City of

# CORCORAN

FOUNDED 1914

FINANCE DEPARTMENT

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**STAFF REPORT**

**ITEM #: 7 E**

**MEMORANDUM**

**TO:** City Council

**FROM:** Soledad Ruiz-Nuñez, Finance Director

**DATE:** June 8, 2022

**MEETING DATE:** June 14, 2022

**SUBJECT:** Review City of Corcoran 2022-2023 Draft Fiscal Year Proposed Budget.

**Recommendation:**

Review the proposed City of Corcoran 2022-2023 Draft Fiscal Year revenue and expenses.

**Discussion:**

The draft Budget for Fiscal Year 2022-2023 will be presented with the projected revenue and expenses. The draft budget will include proposed projects, grant revenue, and normal operating expenditures.

**Budget Impact:**

N/A

**Attachments:**

Budget Impacts, Summary Budget report



# BUDGET FOR JULY 1, 2022 TO JUNE 30, 2023

## Budget Impacts



Fire Contract	Measure A paying 100% of the contract.
PARS Retirement Contribution	Budget includes 3% of Employee Salary Cost being contributed to PARS Retirement account.
Health Insurance	10% increase based on current market.
Direct Charges	Reduced overhead for direct charges of a percentage of 3 employees.
COPS Hiring Grant	New Police Officer with a share of cost of 25% for the General Fund.
Transit Driver Scale	Salary scale adjustment.
Transit Driver II	Created a new position and salary scale for experienced operators.
Building Inspector II	Created a new position and salary scale.
Emergency Vacation	Safety Positions and Communication/Records Manager eligible for Emergency Vacation incentive.
Unpresented	COLA 2%
Local 39	COLA up to 3.25% depending on position.
CLOCEA	COLA up to 3% depending on position.
Labor Code Compliance	Communication Records Manager 3.2% adjustment to salary scale.
Labor Code Compliance	Overtime was added to four divisions in order to comply with labor code.
2022 Energy Equipment Lease	Lease payment added to four funds.
2022 Pension Liability Lease	Lease payment added to funds with employee expenses.



<b>City of Corcoran</b>		
<b>SUMMARY BUDGET: FY22</b>		
<b>FY 2023</b>	<b>July 1, 2022 to June 30, 2023</b>	
		<b>July 1, 2022 to June 30, 2023</b>
<b>Measure A</b>		
1	<b>Revenues</b>	<b>Budget Request FY 2023</b>
2	Sales Tax Revenue	2,102,830
3	Interest	3,000
4	Reserves	70,000
5	Revenue Totals	2,175,830
6		
7		
8	<b>Expenditures</b>	
9	<b>Parks &amp; Recreation</b>	
10	Liability & Property Insurance	11,800
11	Equipment Maintenance & Repair	5,000
12	Professional Services	125,000
13	Contract with Other Agencies	272,000
14	Special Department Supplies	-
15	Lease Payment	17,917
16	Buildings	150,000
17	Improvement Other than Buildings	50,000
18	Machinery & Equipment	27,000
19		
20	<b>General Government</b>	
21	Liability & Property Insurance	-
22	Equipment Maintenance & Repair	-
23	Professional Services	-
24	Contract with Other Agencies	-
25	Special Department Supplies	-
26	Buildings	120,000
27	Improvement Other than Buildings	-
28	Machinery & Equipment	-
29		
30	<b>Public Safety</b>	
31	Transfer Out GF for PD	400,000
32	Liability & Property Insurance	-
33	Professional Services	-
34	Contract with Other Agencies	723,404
35		
36	<b>PW Streets &amp; Buildings</b>	
37	Liability & Property Insurance	-
38	Equipment Maintenance & Repair	-
39	Professional Services	-
40	Contract with Other Agencies	-
41	Special Department Supplies	-
42	Buildings	-
43	Improvement Other than Buildings	-
44	Machinery & Equipment	-
45		
46	Transfer Out to Pistachio Farm	20,000
47	Transfer Out GF Reserves	250,000
48		2,172,121
49		
50	Measure A Revenues Over/Under Expenditures	3,709

51	<b>General Fund</b>	
52		
53	<b>Revenues</b>	<b>Budget Request FY 2022</b>
54	Vehicle License Fee	2,961,710
55	Sales Tax	1,398,207
56	Property Taxes	436,900
57	Franchise Fees	449,688
58	Transient Occupancy Tax	68,000
59	Licenses & Permits	187,370
60	Rents: Solar Lease/EDF/Cottonwood/American Towers	150,212
61	Fines and Penalties	24,550
62	Other Agencies: CUSD/POST	132,500
63	Planning Permits: Charge for Services	97,500
64	Other Revenue: NTF/GTF/Realignment	-
65	Miscellaneous & Rebates & Interest	67,100
66	Overhead	1,395,995
67	Measure A	400,000
68	Parks Grant	-
69	PD Grant	100,000
70	Transfer in from COPS	35,000
71	Transfer in from RAO	150,000
72	Transfer in from Water	5,000
73	Transfer in from ARPA	849,179
74	Transfer in from Other Fund	-
75	<b>Revenue Totals</b>	<b>8,908,911</b>
76		
77	<b>Expenditures</b>	
78	<b>Mayor And Council</b>	<b>Budget Request FY 2023</b>
79	Salaries & Benefits	-
80	Services & Supplies	174,694
81	ARPA Business Grants	267,000
82	Subtotal	441,694
83	Transfer In Overhead	(104,816)
84	Transfer In	(265,000)
85	Net Expenditure to General Fund after Overhead	71,878
86		
87	<b>Administrative Services</b>	<b>Budget Request FY 2023</b>
88	Salaries & Benefits	333,575
89	Services & Supplies	49,711
90	Subtotal	383,286
91	Transfer In Overhead	(185,665)
92	Transfer In	-
93	Net Expenditure to General Fund after Overhead	197,621
94		
95	<b>City Attorney</b>	<b>Budget Request FY 2023</b>
96	Salaries & Benefits	-
97	Services & Supplies	150,000
98	Subtotal	150,000
99	Transfer In Overhead	(90,000)
100	Transfer In	-
101	Net Expenditure to General Fund after Overhead	60,000
102		
103	<b>Finance</b>	<b>Budget Request FY 2023</b>
104	Salaries & Benefits	320,722
105	Services & Supplies	272,193
106	Subtotal	592,915
107	Transfer In Overhead	(391,595)
108	Transfer In	-
109	Net Expenditure to General Fund after Overhead	201,320
110		
111	<b>Community Development</b>	<b>Budget Request FY 2023</b>
112	Salaries & Benefits	235,101
113	Services & Supplies	173,672
114	Machinery & Equipment	-
115	Subtotal	408,773
116	Transfer In Overhead	-
117	Transfer In	(5,000)
118	Net Expenditure to General Fund after Overhead	403,773
119		
120		
121	<b>Parks</b>	<b>Budget Request FY 2023</b>
122	Salaries & Benefits	190,902
123	Services & Supplies	104,305
124	Subtotal	295,207
125	Transfer In Overhead	(136,452)
126	Transfer In	-

127	Net Expenditure to General Fund after Overhead	158,756
128		
129	Capital Expenditure Parks Grant	-
130		
131	<b>Police Department</b>	<b>Budget Request FY 2023</b>
132	Salaries & Benefits	4,512,905
133	Services & Supplies	687,687
134	Machinery & Equipment	-
135	Subtotal	5,200,592
136	Transfer In Overhead	-
137	Transfer In from Measure A & COPS& ARPA	(565,000)
138	Net Expenditure to General Fund after Overhead	4,635,592
139		
140		
141	<b>Public Works Administration</b>	<b>Budget Request FY 2023</b>
142	Salaries & Benefits	209,875
143	Services & Supplies	49,550
144	Subtotal	259,425
145	Transfer In Overhead	(170,304)
146	Transfer In	-
147	Net Expenditure to General Fund after Overhead	89,121
148		
149	<b>Government Buildings</b>	<b>Budget Request FY 2023</b>
150	Salaries & Benefits	42,403
151	Services & Supplies	433,360
152	Lease Payment	30,445
153	Machinery & Equipment	-
154	Subtotal	506,208
155	Transfer In Overhead	(200,205)
156	Transfer In	-
157	Net Expenditure to General Fund after Overhead	306,003
158		
159	<b>Equipment Services</b>	<b>Budget Request FY 2023</b>
160	Salaries & Benefits	193,554
161	Services & Supplies	30,863
162	Subtotal	224,417
163	Transfer In Overhead	(123,874)
164	Transfer In	-
165	Net Expenditure to General Fund after Overhead	100,543
166		
167	PARS Section 115	94,043
168		
169	<b>General Fund Expenditures (B4 Overhead) Totals:</b>	<b>8,556,560</b>
170		
171	<b>General Fund Revenue Over/Under Expenditures</b>	<b>352,351</b>



172	<b>Water Fund</b>	<b>Budget Request FY 2023</b>
173	Revenues	
174	Water Charges and Penalties	5,364,000
175	Water Connection Fees	500
176	Interest & Rebates	15,500
177	Transfer in from ARPA	55,744
178	Restricted Capital	-
179	Reserves	1,800,000
180	Grants/Loans	4,960,155
181	Total Revenues	12,195,899
182		
183	<b>Expenditures</b>	
184	Salaries & Benefits	794,097
185	Services & Supplies	6,383,961
186	Debt Service	1,603,507
187	Capital Set Aside	150,000
188	Capital Expense	1,500,000
189	Capital Expenses from Reserves	1,188,000
190	Transfer Out Overhead Allocation	532,991
191	Transfer Out	5,000
192	Total Expenditures	12,157,556
193		
194	PARS Section 115	13,907
195		
196	Water Fund Revenue Over/Under Expenditures	24,436
197		
198		
199	<b>Streets Maintenance - Gas Taxes</b>	<b>Budget Request FY 2023</b>
200	Revenues	
201	Grants	527,242
202	GF Loan Repayment	-
203	Gas Tax - 2103 (Prop 42)	244,383
204	Gas Tax - 2105	160,090
205	Gas Tax - 2106	69,002
206	Gas Tax - 2107	218,708
207	Gas Tax 2107.5	5,000
208	Interest & Rebates	-
209	Transfer in from ARPA	12,480
210	Total Revenues	1,236,905
211		
212	<b>Expenditures</b>	
213	Salaries & Benefits	125,780
214	Services & Supplies	510,996
215	Capital Set Aside	-
216	Capital Expense	337,242
217	Capital Expense from Reserves	-
218	Transfer Out Overhead Allocation	157,440
219	Transfer Out	-
220	Total Expenditures	1,131,458
221		
222	Gas Tax Revenues Over/Under Expenditures	105,448
223		
224		
225	<b>SB 1 Road Maintenance &amp; Rehabilitation</b>	<b>Budget Request FY 2023</b>
226	Revenues	
227	Gas Tax	565,604
228	Interest	1,600
229	Transfer in from ARPA	4,160
230	Reserves	-
231	Total Revenues	571,364
232		
233	<b>Expenditures</b>	
234	Salaries & Benefits	28,880
235	Services & Supplies	10,254
236	Chip Seal	420,000
237	Machinery & Equipment	-
238	Slurry Seal	-
239	Total Expenditures	459,134
240		
241	SB 1 Revenue Over/Under Expenditures	112,230
242		
243		
244	<b>Refuse Fund</b>	<b>Budget Request FY 2023</b>
245	Revenues	
246	Franchise Fees	21,000

247	Refuse Charges	2,400,000
248	Grant	341,887
249	Interest & Rebates	-
250	Transfer in from ARPA	1,664
251	Total Revenues	2,764,551
252		
253	<u>Expenditures</u>	
254	<b>Refuse</b>	
255	Salaries & Benefits	-
256	Services & Supplies	2,047,351
257	Transfer Out Overhead Allocation	225,036
258	Transfer Out	-
259	Total Expenditures	2,272,387
260		
261	<b>Street Sweeping</b>	
262	Salaries & Benefits	21,229
263	Services & Supplies	40,711
264	Capital Set Aside	-
265	Capital Expense	340,000
266	Capital Expense from Reserves	-
267	Total Expenditures	401,940
268		
269	Total Refuse Expenditures	2,674,327
270		
271	PARS Section 115	342
272		
273	Refuse Revenues Over/Under Expenditures	89,882
274		
275		
276	<b>Wastewater/Sanitary Sewer Fund</b>	<b>Budget Request FY 2023</b>
277	<u>Revenues</u>	
278	Sewer Charges	1,404,000
279	Interest and Rebates	2,000
280	Transfer in from ARPA	1,378,288
281	Rents	69,060
282	Reserves	-
283	Total Revenues	2,853,348
284		
285		
286	<u>Expenditures</u>	
287	Salaries & Benefits	407,890
288	Services & Supplies	722,314
289	Debt Service	91,379
290	Capital Set Aside	-
291	Capital Expenses ARPA	1,350,000
292	Capital Expenditure from Reserves	-
293	Transfer Out Overhead Allocation	227,323
294	Total Expenditures	2,798,906
295		
296	PARS Section 115	13,921
297		
298	Wastewater/SS Revenues Over/Under Expenditures	40,521
299		
300	<b>Wastewater/Storm Drain Fund</b>	<b>Budget Request FY 2023</b>
301	<u>Revenues</u>	
302	Storm Drain Charges	316,800
303	Storm Drain Acreage Charge	-
304	Interest & Rebates	600
305	Transfer in from ARPA	9,984
306	Reserves	55,000
307	Total Revenues	382,384
308		
309		
310	<u>Expenditures</u>	
311	Salaries & Benefits	134,532
312	Services & Supplies	138,346
313	Capital Set Aside	-
314	Capital Expense	55,000
315	Capital Expense from Reserves	-
316	Transfer Out Overhead Allocation	94,188
317	Total Expenditures	422,066
318		
319	PARS Section 115	1,954
320		
321	Wastewater/SD Revenue Over /Under Expenditures	(41,636)

322		
323		
324		
325	<b>Transit</b>	<b>Budget Request FY 2023</b>
326	<u>Revenues</u>	
327	Tax Allocation	762,030
328	Transportation Grants-5311	168,809
329	Transit Grant CRRSAA	339,811
330	Bus Fares	15,000
331	Amtrak Ticket Sales	10,000
332	KART Passes	250
333	Bus Wash	3,000
334	Interest & Rebates	4,000
335	Transfer in from ARPA	58,240
336	Rents	3,600
337	Miscellaneous	1,000
338	Advertising	-
339	Reserves	
340	Grant Funds (CalOES)	60,000
341	Total Revenues	1,425,740
342		
343		
344	<u>Expenditures</u>	
345	Salaries & Benefits	675,483
346	Services & Supplies	302,159
347	Capital Set Aside	-
348	Capital Expense	260,591
349	Capital Expense from Reserves	-
350	Transfer Out Overhead	165,934
351	Transfer Out	-
352	Total Expenditures	1,404,167
353		
354	PARS Section 115	9,917
355		
356	Transit Revenues Over/Under Expenditures	11,656
357		
358		
359	<b>American Rescue Plan Act</b>	<b>Budget Request FY 2023</b>
360	<u>Revenues</u>	
361	Allocation	2,697,779
362	Interest	-
363	Total Revenues	2,697,779
364		
365		
366	<u>Expenditures</u>	
367	Transfer to General Fund	849,179
368	Transfer to Water	55,744
369	Transfer to Streets	12,480
370	Transfer to Pay SB1	4,160
371	Transfer to Transit	58,240
372	Transfer to Sewer	1,378,288
373	Transfer to Storm	9,984
374	Transfer to Successor Agency	8,154
375	Transfer to Sweeping	1,664
376	Transfer to Landscape & Lighting	1,664
377	Transfer to CDBG PI	1,290
378	Transfer to Housing Authority	874
379	Transfer to Home PI	874
380	Transfer to CDBG Federal	166
381		2,382,761
382		
383	ARPA Over/Under	315,018



**STAFF REPORT  
ITEM #: 7-F****MEMO****TO: Corcoran City Council****FROM: Greg Gatzka, City Manager****DATE: June 8, 2022****MEETING DATE: June 15, 2022****SUBJECT: Responses to RFP for Classification and Compensation Study****Summary:**

Responses to the Classification and Compensation Study RFP have been received and staff is providing an update.

**Recommendation:**

Review a summary of the RFP responses and consider rejection of all proposals.

**Budget impact:**

Budgeted professional services funds from City Administration and Finance were planned to be used for this study. Responses received were higher than anticipated in comparison to other jurisdictions in the Central Valley and there was no realized cost savings. As the City prepares the Fiscal Year 2022/2023 budget, there are no additional funds planned for this activity. Therefore, the proposal costs cannot be accommodated at this time.

**Background:**

The last compensation study prepared for the City was completed and presented to the Council on April 7, 2008. As considerable changes over the past decade have affected the workforce and compensation, the City's Executive Team recommended to update the City's position classifications and compensation through a study. On April 12, 2022, the City Council authorized the release of an RFP for a new Classification and Compensation Study. Proposals were due by May 6, 2022, and the RFP was sent out to eight consulting firms. Only two proposals were received, and staff has determined that the proposal costs exceed the currently available budget and anticipated proposed budget for next fiscal year.

**Attachment:**

Summary of RFP Proposal Costs.

**City of Corcoran**

RFP for Classification and Compensation Study

Summary of Proposal Costs from Responses:

Koff Associates                      Not to Exceed \$86,100 for onsite service

RGS    Not to Exceed \$64,300 for onsite service

**STAFF REPORT  
ITEM #: 7-G****MEMO****TO: Corcoran City Council****FROM: Greg Gatzka, City Manager****DATE: June 8, 2022****MEETING DATE: June 15, 2022****SUBJECT: ARPA Funds for Downtown Business Grants****Summary:**

In the current Fiscal Year, the Council approved allocating \$265,000 in ARPA funding for business grants. The City Manager has prepared a program to administer the program and will need Council approval implement the program in Fiscal Year 2022/2023.

**Recommendation:**

Review the strategic approach for ARPA funding to be used in Downtown Corcoran Revitalization and consider directing staff to prepare an implementation program.

**Budget impact:**

In Fiscal Year 2021/2022, the Council approved \$265,000 in ARPA funds to be allocated for Corcoran business grants. The program to administer these funds is now being developed, and the City Manager is seeking Council input and authorization to implement this program and carry the funding over to Fiscal Year 2022/2023.

**Background:**

The American Rescue Plan Act (ARPA) funding provided by the Federal Government were provided to local jurisdictions to help in the economic recovery and support of local resources impacted by the pandemic. The City of Corcoran received \$5,395,558 in funding, and the Council allocated for priority project in Fiscal Year 2021/2022. Just under 5% of that funding was allocated for use as local business grants to help in the City's economic recovery. Staff have been exploring various avenues to apply and implement these recovery funds and now has an implementation approach to present to Council and seek direction. The implementation approach is intended to strategically address deteriorated conditions in downtown Corcoran, and work in partnership with the Corcoran Chamber of Commerce to facilitate the grant application process and improvements.

City of

# CORCORAN

A MUNICIPAL CORPORATION

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**STAFF REPORT  
ITEM #: 7-H**

**MEMORANDUM**

**TO:** City Council

**FROM:** Kevin J. Tromborg: Community Development Director/Transit Director

**DATE:** **MEETING DATE:**

**SUBJECT:** Progress report, 6<sup>th</sup> cycle, Regional Housing Needs Assessment Plan (RHNA)

**Discussion:** The Regional Housing Needs Assessment, or RHNA, is a State mandated process that requires cities and counties to plan for adequate housing to accommodate the existing and future housing needs for all economic segments. The RHNA process and related Housing Element updates occur on 8 year cycles. The RHNA process we are currently working on is the 6<sup>th</sup> cycle which spans from 2023 to 2031. KCAG and its member cities and county have once again decided to work together regarding the 6<sup>th</sup> cycle of RHNA and have hired a consultant that each City and county agreed upon. For the past several months KCAG, and its member cities and county have been working with the consultant through all three ( 3) phases of RHNA. Currently we are working through phase two (2). Below is a brief explanation of each phase of the RHNA process.

The entire RHNA process is comprised of three major phases:

**Phase 1: Regional Housing Needs Determination:** Prior to the beginning of each planning period, The Housing and Community Development Department of the State of California (HCD) determines the total housing needs for the region (Kings County). HCD accomplishes this task in conjunction with the Department of Finance and the Regional Council of Governments. The RHNA determination is based on regional growth projections and other factors such as current vacancy rates and existing housing problems such as cost burdens and overcrowding.

The total housing need is also distributed among four income categories that correspond with Housing Element requirements. In January 2022 HCD issued the 6<sup>th</sup> cycle RHNA determination for the Kings County Association of Governments (KCAG) region as shown below.

Very low income:	23.9 percent	2,257 Housing units
Low income:	17.7 percent	1,672 Housing units
Moderate income:	18.6 percent	1,753 Housing units
Above-Moderate:	39.7 percent	3,747 Housing units

Total Housing units: 9429 Housing units

**Phase 2:** Preparation of the RHNA plan: The second step of the RHNA process is the development of the methodology for allocating the share of the regional housing needs to each of the five members of our jurisdiction.

1. Kings County
2. City of Corcoran
3. City of Avenal
4. City of Lemoore
5. City of Hanford

The methodology is the core of the RHNA plan and is the primary focus of the final document. The methodology must demonstrate how the methodology complies with State law, including statutory RHNA objectives, planning factors, and procedural requirements including public participation.

**Phase 3:** Housing Element updates: After final adoption of the RHNA plan, the City of Corcoran must prepare and adopt an updated Housing Element of the General Plan that demonstrates, among other things, how the city can accommodate its assigned RHNA allocation at each income level through its land use plan, development regulations and implementation actions.

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## MATTERS FOR MAYOR AND COUNCIL

ITEM #: 8

### MEMORANDUM

**MEETING DATE:** June 14, 2022  
**TO:** Corcoran City Council  
**FROM:** Greg Gatzka, City Manager  
**SUBJECT:** Matters for Mayor and Council

#### 8-A. Upcoming Events/Meetings

- June 17, 2022 (Friday) Corcoran Farmers Market – 5:30-8:30 PM on Whitley Ave next to Christmas Tree Park
- June 14, 2022 (Tuesday) City Council Meeting – 5:30 PM
- June 28, 2022 (Tuesday) City Council Meeting – 5:30 PM

#### 8-B. City Manager's Report

**8-C. Council Comments/Staff Referral Items** – *This is the time for council members to comment on matters of interest.*

#### 8-D. Committee Reports

1. Kings Waste and Recycling Agency (KWRA)
2. Kings County Association of Governments (KCAG)
3. Kings Community Action Organization



**COUNCIL REQUESTS OR REFERRAL ITEMS  
PENDING FURTHER ACTION or RESOLUTION BY STAFF**

<b>DATE</b> Sent to Council/ Request made	<b>REQUEST</b>	<b>STATUS</b>	<b>DEPARTMENT RESPONSIBLE</b> Dept/Division
01/25/22	Corcoran Cemetery District concerns. Council directed City Manager to make contact with District representatives and lend support.	In progress	City Manager
07/21/21	Homelessness Concerns. Council directed staff to explore and evaluate avenues to address homeless issues.	In progress	City Manager
07/21/21	Vacant and blighted commercial properties. Council directed staff to begin preparing an abatement ordinance.	In progress	Community Development
06/13/20	Council directed Staff to begin preparing a public nuisance ordinance.	In progress	Community Development/Police Department
03/12/19	Council requested that Staff prepare ordinance specifically prohibiting smoking in public parks. It was recommended that the City also consider an ordinance prohibiting dogs in public parks.	In progress	Community Development