



AGENDA
RIO DELL CITY COUNCIL
REGULAR MEETING – 6:30 P.M.
TUESDAY, MARCH 4, 2014
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

THE TYPE OF COUNCIL BUSINESS IS IDENTIFIED IMMEDIATELY AFTER EACH TITLE IN BOLD CAPITAL LETTERS

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. CEREMONIAL MATTERS

1) 2004/0304.01 – Proclamation in Recognition of Engineer's Week

E. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Councilmembers present that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

F. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".

- 1) 2014/0304.02 - Approve Minutes of the February 18, 2014 Regular Meeting
(ACTION)
- 2) 2014/0304.03 - Approve Resolution No. 1219-2014 Amending the City Budget to Increase Water Fund Revenues (ACTION)

G. SPECIAL PRESENTATIONS

- 1) 2014/0304.04 - General Discussion on Local Drought Situation - Supervisor Estelle Fennel/Status Report on City Water Supply - Water Superintendent Jensen

H. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

- 1) "SPECIAL CALL ITEMS" from Consent Calendar

I. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- 1) 2014/0304.05 - Approve Resolution No. 1218-2014 Establishing Building Department Administrative Fees to Recoup Program Cost and Adoption of Supplemental Budget (ACTION)
- 2) 2014/0304.06 - Conduct Second Reading (by title only) and Adopt Ordinance No. 312-2014 Amending Current Home Occupation Regulations, Section 17.10.010 of the Rio Dell Municipal Code (ACTION)
- 3) 2014/0304.07 - Conduct Second Reading (by title only) and Adopt Ordinance No. 313-2014 Establishing Cottage Industry Regulations, Section 17.10.010 of the Rio Dell Municipal Code (ACTION)
- 4) 2014/0304.08 - Conduct First Reading (by title only) of Ordinance No. 319-2014 Regarding an Amendment to the Informal Bidding Process as set Forth in Section 3.30.060 of the Rio Dell Municipal Code (ACTION)
- 5) 2014/0304.09 - Adopt Resolution No. 1219-2014 Establishing Fees for Address of Convenience and Cottage Industry Permits and Lowering Required Deposits for Certificates of Compliances, Lot Line Adjustments and Parcel Mergers (ACTION)

J. REPORTS/STAFF COMMUNICATIONS

1. City Manager
2. Chief of Police
3. Finance Director
4. Community Development Director

K. COUNCIL REPORTS/COMMUNICATIONS

L. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS
FOLLOWS: **No Closed Session Items Scheduled**

M. ADJOURNMENT

*The next regular meeting will be on March 18, 2014
at 6:30 p.m. in City Hall Council Chambers*

PROCLAMATION OF ENGINEER'S WEEK
FEBRUARY 16th through 22nd, 2014

WHEREAS, America's Engineers transform ideas into reality, solving problems using science and technology to produce services and systems to better serve the needs of society; and,

WHEREAS, Engineers serving the City of Rio Dell, the State and the Country, work to design and construct the following types of projects:

- | | |
|----------------|------------------------------|
| ▪ Airports | ▪ Bridges |
| ▪ Roads | ▪ Buildings |
| ▪ Railroads | ▪ Water Systems |
| ▪ Harbors | ▪ Flood Control Facilities |
| ▪ Parks | ▪ Wastewater Treatment |
| ▪ Subdivisions | ▪ Seismic Safety Projects |
| ▪ Surveys | ▪ Environmental Enhancements |

WHEREAS, Engineers strive for quality, economy and the betterment of life of our community; and,

WHEREAS, throughout the Nation the week of February 16th through the 22nd 2014 is being recognized as National Engineer's Week, coinciding with George Washington's birthday, our nation's first engineer,

NOW, THEREFORE, BE IT RESOLVED that the City of Rio Dell in recognition of the contribution of Engineers to society and in an effort to promote the interest of the youth in the community in math, science and engineering, does hereby declares the week of February 16th 2014 as Engineer's Week in the City of Rio Dell.

Jack Thompson, Mayor

Date

**RIO DELL CITY COUNCIL
REGULAR MEETING
FEBRUARY 18, 2014
MINUTES**

The study session/regular meeting of the Rio Dell City Council was called to order at 6:00 p.m. by Mayor Thompson.

ROLL CALL: Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: (Study Session): City Manager Stretch, Community Development Director Caldwell and City Clerk Dunham

(Regular Meeting): City Manager Stretch, Chief of Police Hill, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, Wastewater Superintendent Chicora and City Clerk Dunham

STUDY SESSIONS

Presentation by Alison Talbott, PG&E on High Energy Use Tax Program

Alison Talbott, PG&E was present to provide information on the High Energy Use Tax Program. She began by explaining PG&E's role, how the program came to be in the City of Arcata and what the interest is among other local agencies. She said that PG&E is simply the collector of the tax and receives no compensation or portion of the tax collected.

She explained the City of Arcata took steps in attempt to reduce energy usage and when the usage actually increased, they requested data from PG&E to identify the percentage of customers with excessive usage and discussed ways to implement a high energy use tax. She said among the small percentage of excessive users, they identified several legitimate reasons for customers using 400% over the normal baseline; such as multi-generational families living in the same household.

She further reported that the California Public Utilities Commission determined that a customer using 600% above the baseline is considered excessive usage. She noted that the average residential usage is 200% above the baseline.

She said the City of Arcata settled on implementation of a flat tax of 45% on the electric portion of utility bills for excessive users. She said when the tax was implemented approximately 2 years ago, there were 633 customers identified as excessive users; January 2014 showed there were only 96.

She said if the City of Rio Dell is interested in moving forward with the same tax, the first step will be to obtain customer usage data from PG&E for the past three years at a cost of \$500.00.

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Alison Talbott pointed out that the High Energy Use Tax is not necessarily a revenue creator, stating that the City of Arcata overestimated the revenue and had to go back and amend their budget.

Mayor Thompson commented that many of the residents who have 215 marijuana grows are apparently not reaching the excessive usage level. He also asked if the City could go together with other agencies to save money on the cost of implementing the program.

Councilmember Wilson asked how many customers are in the City of Arcata; Alison Talbott commented there are approximately 9,500.

Councilmember Woodall commented that the Chief of Police quoted on the television documentary related to Marijuana cultivation in Humboldt County that 40% of the homes in the City are grow houses; with that being said, implementation of the tax would likely not be passed by the voters. Community Development Director Caldwell commented that the information was not correct and that the Chief was mis-quoted.

Councilmember Marks suggested the City spend the \$500.00 to obtain the information from PG&E to see if the City even has a problem with excessive usage before making any decision to move forward. She said it's hard to imagine using 600% over the baseline and doesn't see this as a revenue generator for the City.

Alison Talbott pointed out that with the limitations related to 215 grows, the usage for those customers, provided the regulations are adhered to would not be excessive.

Councilmember Johnson pointed out that the excessive usage for Arcata customers dropped to 1%.

Discussion continued regarding the cost of implementing the program. Ms. Talbott said the cost for the City of Arcata was \$650,000; although the cost would be less than that for Rio Dell, it would still be significant. She said she could have the usage information to the City by the end of March should the City decide to move forward.

Councilmember Wilson questioned the reasons for considering the tax; whether it is to reduce green house gas or reduce the number of marijuana grow houses.

Chief of Police Hill arrived at this time.

Councilmember Woodall questioned Chief Hill on the percentage of marijuana grow houses in the City; in which he was unable to estimate at this time.

Mayor Thompson called for public comment on the subject. No public comment was received.

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Consensus of the Council was to spend the \$500.00 to obtain the usage data from PG&E to identify the percentage of excessive usage.

The presentation ended at 6:25 p.m. at such time the Mayor called for a brief recess.

The regular meeting reconvened at 6:32 p.m.

CEREMONIAL MATTERS

Swearing in of Police Officer Dmitriy Gavryush

Mayor Thompson announced that Dmitriy Gavryush, a former Level I Reserve Officer for the City was hired to fill the vacant full-time Police Officer position; he said the department is happy to welcome him back and is looking forward to getting back to full staffing.

City Clerk Dunham administered the Oath of Office to Officer Gavryush, followed by the pinning on of his badge by Mayor Thompson.

PUBLIC PRESENTATIONS

Carol Theuriet reminded the Council about her presentation at the last meeting with regard to the traffic problems on Pacific Ave. and stated she would like to see action being taken to address the situation.

Nick Angeloff provided a brief update on the Headwaters Grant the Chamber of Commerce obtained for the Business Incubator Program stating that they are now in the contract phase and that they were able to secure another contribution; Fortuna High School. He said in regard to the Little League, the Board held a meeting and was happy to report the kids, for the first time in six years or so will be playing on the home field this year.

Sharon Wolff addressed the Council regarding the recently approved Sludge (Bio-Solids) Give-Away Program and said in looking at the Ferndale City Council meeting she saw that they are considering shipping their sludge to Rio Dell to be treated and getting quotes on what it would cost for hauling. She said she was surprised the City would consider taking their sludge due to the recent situation the City was facing with regard to sludge disposal.

CONSENT CALENDAR

Motion was made by Woodall/Johnson to approve the consent calendar including the approval of minutes of the February 4, 2014 regular meeting; declaring 2 real properties of the Water Fund surplus to the City and available for sale; and accepting conditions for gift of Rio Dell Elementary School District property. Motion carried 5-0; Mayor Thompson abstained from vote on the February 4, 2014 minutes.

SPECIAL PRESENTATIONS

Project Status Report from City Engineer, Merritt Perry, GHD

City Manager Stretch stated the City Engineer would not be providing a status report at this time as he was unavailable.

SPECIAL CALL ITEMS/COMMUNITYAFFAIRS

Direct Staff to Prepare Notice for Public Hearing on Establishment of Building Department Administrative Fees for March 4, 2014

City Manager Stretch reported that when he originally prepared the staff report he realized that the 14 day noticing requirement was missed; as such the recommended action was amended to direct staff to prepare the required notice for public hearing on establishment of Building Department Administrative fees at the next regular meeting on March 4, 2014.

He said the concept of establishing Building Inspection Administrative fees to fund the Building Inspection Program was presented to the Council at the February 4, 2014 meeting. He said the Council approved the program in concept however; the building program administrative fee was understated and staff was directed to make the correction and bring the proposal back to the Council with the fee to be spread over two years rather than three years as recommended. He said the proposal now is to establish an administrative fee to be added as a percentage of the building permit fees beginning with 33% to become effective 60 days after approval of the Resolution by the Council; and an additional 33% to become effective July 1, 2014. He said the purpose of the fee is to increase revenue in the building program to fully fund the program.

City Manager Stretch said the Council also requested comparative building permit fee information for other local jurisdictions. He said the City Clerk compiled the information related to building permit fees as well as a list of separate fees charged by other agencies that the City does not charge. He said implementation of the 66% administrative fee will bring the City in line with the fee schedules for the other local agencies.

City Manager Stretch then reviewed the recommended action that will be presented to Council at the March 4, 2014 meeting.

Councilmember Wilson referred to 5(a) on the draft resolution and said the language doesn't specify that the revenue generated will come back to the City. City Manager Stretch stated the idea is to increase building permit revenue for the City to fully fund the program; stating the revenue will have to come back to the City in order to do that.

Mayor Thompson called for public comment on the proposed building administrative fee. There was no public comment received.

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Councilmember Johnson commented that he appreciates the efforts of staff in providing the background information which shows that the City needs to dramatically adjust building permit fees and related charges to get them up to where they should be.

Consensus of the Council was that staff proceed with the required noticing for the March 4, 2014 public hearing for implementation of a Building Department Administrative fee as proposed.

Approve Agreement with Arnie Kemp for Contract Plan Check and Building Inspection Services effective February 18, 2014

City Manager Stretch provided a staff report and said the City has had an agreement with Arnie Kemp since 2009 to provide plan check and building inspection services to the City. He said he has been working with him to negotiate a new agreement and has come up with a draft agreement with major changes.

He stated that it is standard among other agencies to compensate contract building inspectors with 80% of the building permit fees collected which remains unchanged in the new agreement. He continued with review of the added provisions contained in the new agreement which include a provision for the full amount of fees collected for violations, penalties, issuance and permit renewals and administrative fees to be retained by the City; a requirement for the contractor to have professional insurance coverage including general liability, auto liability and errors and omissions coverage; establishment of administrative fees to reimburse the contractor on a monthly basis for insurance requirements; a provision where the contractor is paid the 80% of fees in four (4) installments after certain tasks/inspections are performed; an increase for miscellaneous inspections from \$50/hr. to \$60/hr. with a minimum 1 hour charge; and daily update of building activity.

City Manager Stretch stated the recommended agreement has been approved by staff, Mr. Kemp and gone through legal review by the City Attorney and approved as to legal form.

Councilmember Wilson asked what the term of the contract is. City Manager Stretch stated the effective date of the contract is February 22, 2014 and that the agreement may be terminated by either party, for any reason, upon thirty (30) days prior written notice.

Mayor Thompson asked for public comment on the proposed agreement.

Sharon Wolff addressed the Council and stated that she has had the opportunity to work on several contracts and she has never seen where an independent contractor has his/her insurance premiums paid by the agency. She wanted assurance that the City was not extending special favors to this particular contractor or setting precedence.

City Manager Stretch explained that there simply is not enough compensation paid to him by the City (average of \$25,000/yr.) for it to work out for him so it was negotiated that the City will

reimburse him for 60% of those insurance costs as it has been determined that 60% of his business is related to services provided to Rio Dell.

Councilmember Woodall questioned the point that if the City is paying a portion of the insurance costs; essentially the contractor is increasing his fee for services provided to the City.

City Manager Stretch said another option would be to simply pay Mr. Kemp 90% of the building permit fees collected rather than the 80% as proposed.

Councilmember Woodall said it seems it would make more sense to pay the 90% and make him responsible for his own insurance costs.

City Manager Stretch commented that either option would get us to the same point, but if the Council desires, he could calculate the cost at 90%.

Councilmember Johnson asked if the requirement for errors and omissions insurance is a new requirement.

City Manager Stretch stated the requirement is new with regard to this particular agreement and that the City basically assumed the liability in the past.

Motion was made by Johnson/Marks to approve the agreement with Arnie Kemp for Contract Plan Check and Building Inspection Services effective February 22, 2014. Motion carried 4-1; Councilmember Woodall cast the dissenting vote.

Approve Water Fund Budget Adjustments

City Manager Stretch provided a staff report and said he placed an item on the January 21, 2014 agenda for approval of a \$30,000 loan from the General Fund Reserves to the Water Operations Reserve Fund to provide funding for unexpected expenditures for emergency permits and unanticipated engineering and legal costs experienced by the Water Fund however; he pulled the item from the agenda to allow for a more in-depth review of the budget. He said he reviewed the budget with Water Superintendent Jensen and Finance staff and analyzed the revenues and expenditures in the Water Fund. The result of the review was that if some of the identified capital expenditures are deferred and a number of line item adjustments are made, the Water Fund may not need a loan from the General Fund Reserves.

City Manager Stretch reviewed eleven (11) budget line item adjustments for consideration. He said with the proposed adjustments and deferrals; the Water Fund is projected to be in the black this fiscal year.

He noted that there are currently no monies generated from the water rate structure to fund capital improvements and with a \$13 million system, there should be funds set aside for that

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purpose. He said by the end of the fiscal year, staff will be bringing forward a study from GHD on how to capitalize the water system improvements through the water rate structure.

Also, the appraisals on the four (4) parcels owned by the Water Fund recently declared as surplus and offered for sale have a collective value of \$198,000; once sold, the revenue will go into the Water Capital Fund.

Councilmember Marks asked if at such time an offer is received on one of the properties if the matter will come back to the Council for consideration. City Manager stated that the Council delegated him to enlist the services of a broker but the City has the right to refuse any or all offers; he said the City Council will have the final approval.

Mayor Thompson asked for public comment on the proposed budget adjustments. There was no public comment received.

Motion was made by Wilson/Woodall to adopt the budget adjustments to various revenue and expenditure accounts in the Water Fund as set forth in Attachment A. Motion carried 5-0.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Approve Resolution No. 1217-2014 Restating Water Rates, Charges and Fees as set forth in Resolution No. 1168-2012, Correcting and Clarifying the Text and Rescinding Resolution No. 1168-2012

City Manager Stretch provided a staff report and said Resolution No. 1168, adopted in 2012 establishes water rates, fees and charges and provides for an annual inflation adjustment of 3%. He said in reviewing the Resolution, staff found that the intent and meaning of the Resolution is problematic for a number of reasons. As such, he got together with staff to clarify the intent of the Resolution and modified the language to reflect the intent. Also, he said upon staff's review of the Resolution, it was determined that the system has been under billing the mobile home parks by approximately 30%.

He pointed out that the proposed Resolution does not adjust fees; but merely clarifies language.

Councilmember Wilson asked for clarification that the \$100.00 deposit referred to under Section 9 of the Resolution is only the water portion of the deposit and does not include sewer.

City Manager Stretch confirmed that there is a separate deposit for sewer.

Councilmember Marks referred to Section 8 *Meter Reading Issues* and suggested language is included to say that the account will be adjusted after the meter problem is solved.

City Manager Stretch explained that when it is not possible to read a meter, the account will be billed based on average usage of the two (2) prior months usage however; language was not included to provide for reconciliation of the account at such time the problem is resolved.

Councilmember Woodall questioned whether mobile home park owners file the required monthly certification for RV spaces.

City Manager Stretch explained that since they do not provide verification on the number of spaces rented each month as transient RV spaces, the park owners will be required to file retrospectively for a credit, based on actual activity for the prior month.

City Manager Stretch referred to Section 13, *Taking Water from Hydrants* and stated that Councilmember Johnson pointed out to him that the only metered hydrant in the City is at the wastewater treatment plant; the Resolution now spells that out and also clarifies that water may not be transported or used outside of City limits, except by existing agreement.

Mayor Thompson asked for public comment on the proposed Resolution.

Councilmember Woodall was excused and left the meeting at this time.

Carol Theuriet asked if the annual 3% inflation adjustment on the water and sewer bills will ever stop. She said the Council implemented a sewer rate increase to position the City for funding for the Wastewater Improvement Project, and it was her understanding that the rate increase would be eliminated after 5 years. She asked that the matter be reviewed and asked for the date the rate increase was implemented.

Councilmember Marks stated that the rate increase was to be reviewed after 5 years; not eliminated.

Motion was made by Marks/Johnson to approve *Resolution No. 1217-2014 Restating Water Rates, Charges and Fees as set Forth in Resolution No. 1168-2012, Correcting and Clarifying the Text and Rescinding Resolution No. 1168-2012*. Motion carried 4-0.

Conduct Second Reading (by title only) and adopt Ordinance No. 317-2014 Amending Section 2.60.030(4) of the Rio Dell Municipal Code Changing the Planning Commission's Monthly Regular Meetings from the 4th Wednesday of the Month to the 4th Thursday

Community Development Director Caldwell provided a brief staff report and said the Ordinance was introduced at the February 4, 2014 meeting and the recommendation is to conduct the second reading, receive public comment and adopt the Ordinance changing the Planning Commission's monthly regular meeting from the fourth Wednesday of the month to the fourth Thursday of the month.

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A public hearing was opened to receive public comment on the proposed ordinance; there being no public comment, the public hearing closed.

Motion was made by Johnson/Wilson to conduct the second reading (by title only) of Ordinance No. 317-2014 Amending Section 2.60.030(4) of the Rio Dell Municipal Code (RDMC) changing the Planning Commission's monthly regular meeting from the fourth Wednesday of the month to the fourth Thursday of the month. Motion carried 4-0.

Introduce and Conduct First Reading (by title only) of Ordinance No. 312-2014 Amending Current Home Occupation Regulations, Section 17.10.010 of the Rio Dell Municipal Code
Community Development Director Caldwell provided a staff report and stated many Home Occupations are actually "mobile" businesses such as contractors that don't really fit into the definition of a Home Occupation. As such, staff is recommending some minor changes to the Home Occupation provisions including the establishment of Address of Convenience provisions for those businesses that do not receive any deliveries, and do not conduct any activities at the residence other than receiving mail, phone call and related record keeping.

Community Development Director Caldwell noted that when the matter went to the Planning Commission for consideration, the issue of a potential conflict of interest was raised because two (2) of the Commissioner's currently have Home Occupations and another Commissioner's wife had made application for a Business License which qualifies as a Home Occupation. He said staff discussed the matter with the City Attorney and he felt that if there was/is a perceived conflict of interest, two (2) of the Commissioner's would not constitute a quorum. He said because the Planning Commission's recommendation is "advisory" only, the changes would not need to be remanded back to the Planning Commission.

Discussion ensued regarding signage and whether signs or nameplates should be allowed for Home Occupations in residential zones.

Community Development Director Caldwell stated that since the current Home Occupation provisions do not allow for signage, staff originally recommended that signage for Home Occupations be consistent with the existing Sign Regulations of the RCMC which would limit them to two (2) square feet in Urban Residential, Suburban Residential and Suburban zones and four (4) square feet in the Rural zone subject to the setback requirements of the zone. He said the Planning Commission discussed the recommended sign provisions and is recommending to the Council that signs up to four (4) square feet be allowed in all residential zones, subject to a ten (10) foot front yard setback.

Councilmember Marks commented that she felt that a four (4) square foot sign should not be allowed for Home Occupations if other cities don't allow them and said the Council should consider the impact signs would have on residential neighborhoods.

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Mayor Thompson said if signs are to be allowed in residential zones, he would like to see consistency with regard to their size; perhaps 18" x 24".

City Manager Stretch stated that he would prefer that the current signage regulations for Home Occupations not be changed as he felt signs would change the residential character of the neighborhood.

A public hearing was opened to receive public comment on the proposed ordinance.

Carol Theuriet commented that neighborhoods such as Grayland Heights that have CC& R's t prevent signage and that people conducting businesses out of their home do it so they don't have to have a separate place of business. She noted that most home businesses are computer based and they may only hang a shingle out with the name or type of business.

There being no further public comment, the public hearing closed.

Councilmember Johnson questioned the current sign regulations. Community Development Director Caldwell said the current code allows for one nameplate appurtenant to any permitted use, not to exceed two (2) square feet, but can't promote the business.

Councilmember Johnson referred to Section 17.30.260, *Signs and Nameplates* which states that nameplates shall be permitted, limited to a statement of the name, address and occupational designation of the occupant.

Community Development Director Caldwell noted there are some inconsistency between the regulations and depending on what the Council decides, the language will need to be amended.

Community Development Director Caldwell reviewed three (3) possible options for approval: 1) signs up to four (4) square feet be allowed in all residential zones, as recommended by the Planning commission; 2) signs up to two (2) square feet be allowed in accordance with current sign regulations; or 3) no signs for Home Occupations be allowed in residential zones.

Motion was made by Wilson/Marks to introduce and conduct first reading (by title only) of *Ordinance No. 312-2014 Amending the Home Occupation Regulation, Section 17.30.120 and the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code* as revised to delete provisions for signs for Home Occupations. Motion carried 4-0.

Introduce and Conduct First Reading (by title only) of Ordinance No. 313-2014 Establishing Cottage Industry Regulations, Section 17.10.010 of the Rio Dell Municipal Code

Community Development Director Caldwell provided a brief staff report and explained from time to time the City is contacted regarding potential Home Occupations that do not fit within the definition of a Home Occupation such as wood-working, metal fabrication or a welding shop. He said although some of these use types could be approved through the Conditional Use Permit

process, the cost usually discourages the applicant from proceeding. As such, staff is recommending the establishment of Cottage Industry provisions and performance standards similar to the Home Occupation and Address of Convenience regulations.

He noted that again, the only issue is with regard to signs.

A public hearing was opened to receive public comment on the proposed ordinance.

Brandon Phillips said if people want to work out of their homes, the City should let them; and if they want to put up a sign, it should be between them and their neighbors. He urged the Council to adopt regulations that encourage rather than discourage businesses.

There being no further public comment, the public hearing closed.

Discussion continued regarding new State regulations regarding Cottage Food Operations. Community Development Director Caldwell stated that under the California Homemade Food Act (AB 1616) many home-based food businesses are exempt from many regulations that apply to traditional food operations. He said the regulations also allow customers to come to the residence, and allows the business to have one employee who does not reside in the home.

Councilmember Marks questioned the reason for exempting these home-based businesses from Design Review. Community Development Director Caldwell pointed out the application fee of \$500 would discourage businesses and said in all of the provisions he reviewed from other agencies, design review was not required.

Motion was made by Marks/Johnson to introduce and conduct first reading (by title only) of Ordinance No. 313-2014 *Establishing Cottage Industry Regulations, Section 17.30.075 and Amending the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code* revised to delete provisions for signs. Motion carried 4-0.

REPORTS/STAFF COMMUNICATIONS

City Manager Stretch reported on recent activities and events and said on February 26th he will be sitting on the interview panel for the City of Eureka for their City Manager recruitment; the Prop 218 Notice of Proposed Wastewater Rate adjustment will be in the mail on the 24th for the April 15th public hearing; and that the former Finance Director was here last weekend working on completion of the tasks as discussed, stating that the progress was not going as well as expected so it may result in 4 visits rather than 3 as originally proposed.

Chief of Police Hill directed Council's attention to the monthly Police Activity Report as submitted and provided highlights of recent activity. He said Officer Gavryush has begun his 10 week field training; former Sergeant Wiener is still working as a part-time records clerk; the Law Enforcement Analysis Program (LEAP) should be coming online soon; the parking citation

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program is expected to be in place in March; and said he was hoping to have some traffic survey information to report for Pacific Ave.; however ran into some technical problems.

Councilmember Marks asked if his department currently has a radar gun and if all officers are trained to use it. Chief Hill said there are radar guns in all patrol vehicles and the department has an additional hand-held radar gun. He said all but one officer has radar training.

Carol Theuriet asked how many citations are issued each month. Chief Hill said that for the month of January, 16 citations were issued which does not include warnings.

Water/Roadways Superintendent Jensen reported on recent activities in the water department and said he had hoped to have an update on the drought situation but due to more pressing issues, was unable to gather the information. He said he would provide the update at the next meeting. He said Roberts Filters was here from Pennsylvania to work on the programming for the SCADA System and hopefully were able to resolve the problems.

Wastewater Superintendent Chicora stated he had nothing new to report at this time.

Councilmember Marks asked if he was accepting sludge from the City of Ferndale.

Wastewater Superintendent Chicora said there have been some very early preliminary discussions about the possibility of taking their sludge and turning it into fertilizer but before the City can even consider processing sludge other than the City's, the system will need to be fine-tuned to make sure everything is working the way it should.

Community Development Director Caldwell reported on recent activities in the Planning Department and said he attended a CDBG Workshop out of the area last week and as expected, the City is not eligible to apply for funding this cycle. He said he completed the RFQ for the Belleview/Ogle Drainage Improvements and was looking forward to seeing how many responses are received.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Johnson reported that he would not be able to attend the March 4, 2014 meeting.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 8:27 p.m. to the March 4, 2014 regular meeting.

Jack Thompson, Mayor

Karen Dunham, City Clerk



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TO: Honorable Rio Dell City Council

FROM: Jim Stretch, City Manager

DATE: March 4, 2014

SUBJECT: Supplemental Budget for Water Fund

IT IS RECOMMENDED THAT THE RIO DELL CITY COUNCIL:

1. Adopt the attached Supplemental Budget Resolution 2019-2014 to increase the Water Fund Revenue accounts by \$42,600.

Background

On February 18, 2014 the City Council approved a number of internal adjustments concerning the budget for the Water Fund; deferring some capital projects, covering accounts that appeared to be underfunded based on 7 months experience, and adjusting some revenues. Since the Budget for 2013-14 was adopted by Resolution, the adjustment of the Water Fund revenues in the amount of \$42,600 requires a similar action.

The attached Resolution increases four (4) revenue accounts by \$42,600 and increase the appropriation (expenditure) to the Water Fund Reserve by like amount, keeping the budget in balance.

RESOLUTION NO. 2019-2014

**A RESOLUTION OF THE CITY COUNCIL OF RIO DELL
AMENDING THE CITY BUDGET TO INCREASE WATER FUND REVENUES**

WHEREAS, the Rio Dell City Council adopted its 2013-2014 Budget on June 25, 2013; and

WHEREAS, at mid-year it is projected that Water Fund revenues are likely to be realized in an amount greater than anticipated, and

WHEREAS, expenditures for legal expense and engineering cost in the Water Operating Fund are likely to be greater than anticipated in the adopted budget due to issues related to the raw water infiltration gallery in the Eel River, and

WHEREAS, the unanticipated revenue projected to be received is available to augment the budget to fund these costs.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Rio Dell hereby adopts this Resolution to amend the Water Fund Operating Budget in the amount of \$42,600 by adjusting the following revenue and expenditure accounts:

1. Increase revenue account 4610-Water Service from \$518,797 to \$544,797
2. Increase revenue account 4630-Water- Service Late Fees from \$16,000 to \$21,600
3. Increase revenue account 4635-Shut-Off Fees from \$3,900 to \$6,300
4. Create revenue account 4991- to be entitled "Reimbursements" in the amount of \$10,000
5. Increase the Water Operating Fund (expenditure) Reserve by \$42,600

APPROVED this 4th day of March, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jack Thompson, Mayor

Attest:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Resolution No. 1218-2014 adopted by the City Council on March 4, 2014.

Karen Dunham, CMC
City of Rio Dell

*Rio Dell City hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com*



March 4, 2104

TO: Rio Dell City Council

FROM:  Jim Stretch, City Manager

SUBJECT: Adopt Resolution 1218-2014 to Establish Building Department Administrative Fees to Recoup Program Cost and adoption of Supplemental Budget

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Open the public hearing on the proposed establishment of building administrative fees to fund building inspection and plan check activities in the City, and receive public testimony on the proposal, and
2. Close the public hearing on the proposed administrative fees and deliberate as a Council, and
3. Adopt attached Resolution 1218-2014 “Establishing administrative fees for the City of Rio Dell Building Program for the purpose of generating sufficient revenue to fully fund the program”, establish a new Fund for building related services, and adoption of a supplemental budget related to new revenues and expenditures.

BACKGROUND AND DISCUSSION

In some jurisdictions the Building Inspection Program is totally supported by user fees; i.e. parties who require building inspection services pay for them and other residents of the City do not subsidize the cost. The Building Inspection Program in Rio Dell is not on a self-supported basis, generally running a deficit in excess of \$22,000/year depending on building activity.

During the 2013-14 budget hearings the City Council addressed this issue and directed staff to develop a concept to allow the service to be provided without a general fund subsidy. The recommendation set forth above is intended to address the imbalance between building program revenue and expenditures and provide financial stability to the program.

On February 4, 2014 the City Council considered staff's recommendation on stabilizing the revenue program for the building inspection program and approved it in concept with a few changes. And, on February 18, 2014 a slightly modified program was introduced to the Council, who directed staff to prepare the required public notice for a public hearing on the topic for March 4, 2014

THE SITUATION

In particular, the building inspection department budget for 2013-14 totals roughly \$54,500. In a recent negotiation with Arnie Kemp for a new professional services contract the matter of professional liability insurance coverage was introduced as a requirement. He determined that he could not afford the insurance and gave the City a termination notice. That notice has been extended to February 28, 2014.

A local Insurance Broker quotes a price for Mr. Kemp for general liability and errors and omissions coverage required in the draft agreement at \$3,300 for the year. Assuming that 60% of that amount is related to his Rio Dell services agreement (\$1,980), the total program cost would increase to \$56,480, but is only offset by approximately \$34,000 of revenue. That leaves \$22,480 (66%) of the cost of the program being shouldered by the general taxpayer.

THE PROPOSAL

The proposal is to establish an administrative fee to be added as a percentage of the building permit fees beginning with 33% to be effective 60 after the Council approved the Resolution establishing the fees and 66% effective July 1, 2014 and thereafter. The purpose of the administrative fee is to increase building program revenues to a level that will fully fund the program.

A provision to stabilize the funding for the building inspection program is included in the recommendation, whereby, if at the end of any fiscal year program revenues are greater than expenditures, the surplus revenue would be deposited in a restrictive fund to be drawn against in future years where the revenue is less than expenditures. And, in the event revenues should accrue over time to \$20,000 or more at the end of a fiscal year, the amount over \$10,000 would be used to reduce the "Building Department Administrative Fee" accordingly.

Likewise, if revenue in the "Building Department Trust Fund" after initially reaching \$10,000 or more then falls below \$10,000 at the end of any fiscal year, the "Building Department Administrative Fee" is to be adjusted (increased) administratively by an amount estimated to achieve a balance of at least \$10,000 by the end of that fiscal year.

JURISDICTIONAL PERMIT FEE COMPARISONS

At the study session on this topic, the City Council requested comparative building permit fee information for the City of Fortuna and the County of Humboldt. That

comparison was compiled by the City Clerk and is attached to this report. As you may note, the plan check and building permit fees for a 1280 sq. ft. residence in Rio Dell is currently \$2,811.68. That same permit in the City of Fortuna is \$4,953 and \$4,535.33 in the County's jurisdiction. Applying the proposed administrative fee of 66% to our current fees, the cost for the City of Rio Dell permit and plan check would be \$4,667.39—right in the ball park.

The City Clerk also gathered the particulars about a number of separate fees charged by other agencies (attached) that Rio Dell has not implemented. The proposed 66% administrative fee is apparently equal to the basic fee of others, including all of their miscellaneous fees.

OPTIONS

The recommended action presented to the Council is responsive to its directive, which was to make the program self-supporting effective July 1, 2014. The implementation of the administrative fee is recommended to be stepped-in at 33% this fiscal year and the remaining 33% July 1, 2014. The Council may either lengthen the implementation period or make the fee effective in its entirety 60 days after the adoption of Resolution 1218-2014.

Building permit fees are not subject to the Proposition 218 protest process, but are subject to the public hearing process.

THE RECOMMENDATION

The basic provisions contained in Resolution 1218-2104 are as following:

1. Establish a "Building Department Administrative Fee" in the amount of 33% of all plan check and building permit fees effective 60 days after the adoption of the establishing Resolution and 66% of all plan check and building permit fees effective July 1, 2014 and thereafter, and
2. Direct that the revenue collected from the administrative fee shall be deposited in a revenue account entitled "Building Department Administrative Fee" for the purpose of fully funding the activities of the Building Department, including the professional insurance requirements of a contract building inspector attributable to the City, or to cover the additional costs of such services charged to the City by another public agency, and
3. Direct that in any fiscal year that the total revenue from building plan check and building permits fees is greater than the gross cost of the department, the additional revenue shall be deposited into a "Building Department Revenue Trust Fund" to be used in future years when revenues fall short of covering the total cost of the program, and

4. a). Direct that, if the revenue in the “Building Department Trust Fund” accrues at the end of any fiscal year to \$20,000 or more, the Fund shall be reduced to \$10,000 by applying the amount in excess of \$10,000 to reduce the “Building Inspection Administrative Fee” for the ensuing fiscal year.

b). Direct that, if the revenue in the “Building Department Trust Fund” after initially reaching \$10,000 or more then falls below \$10,000 at the end of any fiscal year, the “Building Department Administrative Fee” shall be adjusted (increased) administratively by an amount estimated to achieve a balance of at least \$10,000 by the end of the fiscal year, and
5. Establish a new Fund Number for all Building Department revenues, expenditures and Trust Funds, and increase the 2013-14 Rio Dell City Budget with \$835 in new Revenue account no. _____ and \$835 in the Insurance-other expenditure account (5146) for the reimbursement of liability insurance costs required of contractor under the Building Inspection and Plan Check agreement dated 2-18-14.
6. The effective date for the new fees, if approved, is set by State law at 60 days after adoption by the Council, or May 5, 2014.

Cc: Arnie Kemp, Contract Building Inspector
Kevin Caldwell, Community Development Director
City Clerk, Karen Dunham
Finance Department

RESOLUTION NO. 1218-2014

A RESOLUTION ESTABLISHING ADMINISTRATIVE FEES FOR THE CITY OF RIO DELL BUILDING PROGRAM FOR THE PURPOSE OF GENERATING SUFFICIENT REVENUE TO FULLY FUND THE PROGRAM, AND ADOPTION OF SUPPLEMENTAL BUDGET

WHEREAS; the City of Rio Dell is authorized by the California Constitution and the California Government Code Section 66014 to impose fees to cover expenses for the services it provides, with the proviso that the fee may not exceed the estimated reasonable cost of providing the service ; and

WHEREAS; during the fiscal year 2013-14 Budget Hearings the Rio Dell City Council gave staff direction to develop a conceptual administrative fee program for their consideration in order to put the building plan check, permit issuance and inspection program on a fee for service basis with no General Fund subsidy; and

WHEREAS; on February 4, 2014 the City Council of Rio Dell received a staff report and conducted a public study session on establishing building department administrative fees to enable the building program to become self-supporting for plan checks, building permit issuance and inspections, directing that an agenda item be prepared for a public hearing on the proposed Building Department Administrative Fee, and

WHEREAS; on February 18, 2014 the City Council of Rio Dell approved a new agreement for contract Building Inspection and Plan Check/Plan services which included a new provision to reimburse said Contractor for the City's share of his liability insurance costs, which will require a budget adjustment in the Building Department Budget.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Rio Dell that Administrative Fees for the City Building Program related to plan checks, permit issuance, building inspections and the administration thereof as follows:

1. Building Department Administrative Fees shall be established in the amount of 33% of all plan check and building permit fees 60 days after the adoption of this Resolution and 66% of all plan check and building permit fees effective July 1, 2014 and thereafter.
2. Revenue collected from the administrative fees shall be deposited in a new revenue account entitled "Building Department Administrative Fees" for the purpose of fully funding the activities of the Building Department, including the professional insurance requirements of a contract building inspector attributable to the City, or to cover the costs of such contract services charged by another individual or public agency.

3. If, at the end of any fiscal year, the total revenue from all Building Department sources is determined to be greater than the gross cost of the Building Department, the total amount of revenue determined to be greater than the gross cost shall be deposited into a "Building Department Revenue Trust Fund" to be used in future years when revenues fall short of covering the annual cost of the program.
4. If, at the end of any fiscal year, the balance in the "Building Department Trust Fund" accrues to the amount of \$20,000 or more, the Fund shall be reduced to \$10,000 by applying the amount in excess of \$10,000 to reduce the "Building Inspection Administrative Fees" for the ensuing fiscal year.
5. a). Direct that, if the revenue in the "Building Department Trust Fund" after initially reaching \$10,000 or more then falls below \$10,000 at the end of any fiscal year, the "Building Department Administrative Fee" shall be adjusted (increased) administratively by an amount estimated to achieve a balance of at least \$10,000 by the end of that fiscal year.

b). If, by the end of the fiscal year the adjustment proves not to be adequate to achieve a balance of at least \$10,000, the fees shall be administratively adjusted to achieve a balance of at least \$10,000 by the end of that fiscal year, and
6. Establish a new Fund Number for all Building Department revenues, expenditures and Trust Funds, and increase the 2013-14 Rio Dell City Budget by \$835 with new Revenue account no. _____ and appropriate \$835 to the "Insurance-other" expenditure account (5146) for the reimbursement of liability insurance costs required of contractor under the Building Inspection and Plan Check agreement dated February 18, 2014.
7. The effective date for the new fees is set by State law at 60 days after adoption by the Council, or May 5, 2014.

PASSED AND ADOPTED by the City Council of the City of Rio Dell on this 4th day of March, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jack Thompson, Mayor

Attest:


Karen Dunham, City Clerk


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 4, 2014

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Jim  Stretch, City Manager

Date: February 27, 2014

Subject: Adoption of Ordinance No. 312-2014 amending Section 17.30.120 of the Rio Dell Municipal Code, the Home Occupation Regulations, to include the establishment of Address of Convenience provisions and amending the Zoning Definitions Section 17.10.010 of the Rio Dell Municipal Code to include additional definitions.

Recommendation:

That the City Council:

1. Receive staff's report regarding the proposed text amendment; and
2. Continue (re-open) the public hearing, receive public input, and deliberate; and
3. Adopt Ordinance No. 312-2014 amending the current Home Occupation regulations, including the establishment of Address of Convenience provisions, Section 17.30.120 and the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code.
4. Direct the City Clerk, within 15 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of those City Council members voting for or against, or otherwise voting in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted Ordinance pursuant to Section 36933(a) of the California Government Code.

Background/Summary

At your meeting of February 18, 2014 the Council conducted the first reading (introduction) of Ordinance No. 312-2014. The Ordinance amends the current Home Occupation regulations Section 17.30.120 of the Rio Dell Municipal Code to include the establishment of Address of Convenience provisions. The "Address of Convenience" provisions are intended for those businesses that do not receive any deliveries and do not conduct any activities at the residence other than receiving mail, phone calls and related record keeping.

The Ordinance also amends the current Zoning Definitions Section 17.10.010 of the Rio Dell Municipal Code to modify the definition of Home Occupations, to include the definition of Address of Conveniences. Other revisions include minor grammatical capitalization changes, the substitution of "Planning Secretary" with "Community Development Director" and the inclusion of the definitions of "City Manger" and "Community Development Director". .

As the Council is aware the Planning Commission recommended allowing signs for Home Occupation and Address of Convenience businesses. At your meeting of February 18, 2014 there was substantial discussion regarding the Planning Commission's recommendation to allow signs as part of the Home Occupation and Address of Convenience operations. In the end the Council felt that there should be no exterior indication of the use, including signs. As such, the Council directed staff to eliminate the sign provisions. Staff has amended the Ordinance accordingly.

Zone Reclassification Required Finding:

1. The proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected.

One of the six Goals identified in the Land Use Element of the General Plan is: "To grow sustainably, provide economic opportunities and local jobs". In addition, Land Use Policy LU-17 includes the following language: "Strengthen and diversify the local economy and maintain and improve property values." Furthermore, Land Use Policies LU-21 and LU-24 calls for in part "...the creation and retention of employment opportunities... and ...economic development in Rio Dell...". The proposed revisions to the Home Occupation regulations and the establishment of Address of Convenience regulations is consistent with the Goals and Polices of the General Plan

2. The proposed amendments have been processed in accordance with the California Environmental Quality Act (CEQA).

The primary purpose of the California Environmental Quality Act (CEQA) is to inform the decision makers and the public of potential environmental effects of a proposed project.

Based on the nature of the project, staff has determined that the project is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a *significant* effect on the environment. Where it can be seen with certainty that there is no possibility that the project in question may have a significant effect on the environment, the project is not subject to CEQA. Based on the nature of the proposed amendments, including the existing and proposed performance standards, staff believes there is no evidence to suggest that the amendments will have a *significant* effect on the environment.

Financial Impact

The City is responsible for the costs associated with the proposed amendment. The cost is insignificant and will not result in additional budget expenditures or revisions.

Attachments:

1. Ordinance No. 312-2014 amending Section 17.30.120 of the Rio Dell Municipal Code, the Home Occupation Regulations, to include the establishment of Address of Convenience provisions and amending the Zoning Definitions Section 17.10.010 of the Rio Dell Municipal Code to include additional definitions.
2. Home Occupation Permit.
3. Address of Convenience Permit.
4. Post Adoption Summary.

ORDINANCE NO. 312 – 2014



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL
AMENDING THE HOME OCCUPATION REGULATIONS,
SECTION 17.30.120 AND THE ZONING DEFINITIONS, SECTION 17.10.010 OF THE
RIO DELL MUNICIPAL CODE

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

WHEREAS the City requires Home Occupation Permits for almost every business that is operated from a residence. Many Home Occupations are actually “mobile” businesses that don’t really fit the definition of a Home Occupation; and

WHEREAS Home Occupations include but are not limited to: Artists, Seamstress’s/Tailors, Accountants/Bookkeepers, Attorneys, Architects/Designers, Computer Programmers/Technicians, Engineers, Surveyors, Land Use Consultants and other consultants; and

WHEREAS the Planning Commission is recommending some minor changes to the Home Occupation provisions and establishing Address of Convenience provisions for those businesses that do not receive any deliveries and do not conduct any activities at the residence other than receiving mail, phone calls and related record keeping; and

WHEREAS the Planning Commission is recommending amending the definition of a “Home Occupation” to require that the Home Occupation be conducted by the inhabitants thereof and which is clearly incidental and secondary to the residential use of the dwelling and that no more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Home Occupation; and

WHEREAS the Planning Commission is also recommending a minor grammatical change, the capitalization of “Home Occupation” throughout the provisions and limiting the total area used for the Home Occupation to 25 percent or 500 square feet (whichever is more) of the total floor area within the dwelling unit or no more than 500 square feet of an accessory building; and

WHEREAS the current Home Occupation provisions refer to the “Planning Secretary” being responsible for the administration of the Home Occupation regulations; and

WHEREAS there is no definition of the “Planning Secretary” in the Zoning Regulations and there is no “Planning Secretary” position on the City staff. As such, staff is recommending that that the term “Planning Secretary” be replaced with “Community Development Director or their authorized representative”; and

WHEREAS staff also discovered that the Zoning Regulations do include definitions of the “City Manager” or the “Community Development Director”. Accordingly, staff is recommending that those definitions be included in the Zoning Regulations; and

WHEREAS the Planning Commission is also recommending establishing “Address of Convenience” provisions for those businesses that do not receive any deliveries and do not conduct any activities at the residence other than receiving mail, phone calls and related record keeping; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Sections 65350 – 65362 of the California Government Code; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Section 17.30.010 of the City of Rio Dell Municipal Code; and

WHEREAS the City finds that based on evidence on file and presented in the staff report that the proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected; and

WHEREAS the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Rio Dell finds that:

1. The proposed amendment is consistent with the General Plan and any applicable specific plan; and
2. The proposed amendment is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Rio Dell does hereby ordain as follows:

Section 1. Section 17.10.010, Definitions, of the Rio Dell Municipal Code is hereby amended to include the following definitions:

17.10.010 Definitions

“Address of Convenience” means non-residential activities associated with any profession, occupation or hobby, having no employees, receiving no more than one delivery per day at the residence and utilizing a private residence only for receiving mail, phone calls and related record keeping (typically a mobile business). No more than one truck or other motor vehicle no larger than one ton and shall be permitted at the site of the Home Occupation.

“City Manager” means the City Manager for the City of Rio Dell.

“Community Development Director” means the Director of Planning and Building for the City of Rio Dell.

“Home Occupation” means the conduct of an art or profession, the offering of a service on the conduct of a business, or the manufacture of handicraft products in a dwelling by the inhabitants thereof and which is clearly incidental and secondary to the residential use of the dwelling. No more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Home Occupation.

Section 2. Section 17.30.120, Home Occupation Businesses, of the Rio Dell Municipal Code is hereby amended as follows:

17.30.120 Home Occupation Businesses and Address of Convenience.

(1) Home Occupation Performance Standards. Home Occupations, as defined herein, shall be permitted as appurtenant and accessory uses to any residential use, subject to the following minimum performance standards:

(a) The primary function of a Home Occupation shall not necessitate the rendering of services to customers or clients on the premises;

(b) A Home Occupation shall not include, but such exclusion shall not be limited to, the following: automobile repair, automobile wrecking, barber shops and beauty parlors, commercial stables, veterinary offices, kennels, or restaurants;

(c) There shall be no more than one Home Occupation in any dwelling unit;

(d) Home Occupation permits shall be limited to the applicant only and shall not be transferable;

(e) The activity shall be limited to the hours between 7:00 a.m. and 10:00 p.m.;

(f) The occupation or profession shall be carried on wholly within a dwelling unit or accessory building;

(g) Not more than 25 percent or 500 square feet (whichever is more) of the total floor area within the dwelling unit or no more than 500 square feet of an accessory building shall be used in connection with any Home Occupation;

(h) There shall be no exterior storage of material and no other exterior indication of the Home Occupation or variation from the residential character of the principal building;

(i) A Home Occupation shall not create pedestrian, automobile, or truck traffic significantly in excess of the normal amount in the district;

(j) No mechanical equipment shall be used that produces offensive noise, vibration, smoke, dust, odors, or heat. No lighting that produces offensive glare shall be used;

(k) No more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Home Occupation;

(l) Special considerations, exceptions, etc., may be granted by the Planning Commission upon submittal of satisfactory evidence of physical handicap, which precludes normal employment or conduct of business anywhere but as a home occupation;

(m) Any business not complying with the above standards shall require a conditional use permit.

(2) Address of Convenience Performance Standards. Address of Conveniences as defined herein, shall be permitted as appurtenant and accessory uses to any residential use, subject to the following minimum performance standards:

(a) The primary function of the Address of Convenience is for receiving mail, phone calls and related record keeping (typically a mobile business);

(b) An Address of Convenience shall not include any employees at the premises;

(c) An Address of Convenience shall not include the rendering of services to clients or customers at the premises;

(d) An Address of Convenience shall not generate more than one delivery per day to the residence;

(e) No more than one truck or other motor vehicle no larger than one ton shall be permitted in conjunction with any Address of Convenience;

(f) The Address of Convenience shall be carried on wholly within a dwelling unit or accessory building;

(g) There shall be no exterior storage of materials, equipment or vehicles and no other exterior indication of the Address of Convenience other than the vehicle allowed by subdivision (e) or the sign or nameplate allowed by subdivision (i) or variation from the residential character of the principal building.

(h) Not more than 25 percent or 500 square feet (whichever is more) of the total floor area within the dwelling unit or accessory building shall be used in connection with any Address of Convenience;

(3) Business License Required. Every Home Occupation and Address of Convenience permittee shall obtain a business license and keep it current during the life of the business.

(4) Home Occupation Permit Required. In order to ensure that the intent of these regulations are implemented and that all Home Occupations will be operated under the performance standards required herein, all Home Occupations in the City of Rio Dell must secure approval of a Home Occupation permit. Such Home Occupation permit shall contain a listing of all Home Occupation performance standards and a certification that the applicant has read and agrees to comply with all City regulations and performance standards contained therein.

(5) Address of Convenience Permit Required. In order to ensure that the intent of ~~this~~ these regulations are implemented and that all Address of Conveniences will be operated under the performance standards required herein, all Address of Conveniences in the City of Rio Dell must secure approval of a Address of Convenience permit. Such Address of Convenience permit shall contain the requirements of the Address of Convenience and a certification that the applicant has read and agrees to comply with all City regulations and performance standards contained therein.

(6) Action by the Community Development Director or their authorized representative(s). The Community Development Director or their authorized representative(s) is authorized to grant a Home Occupation or Address of Convenience permit only upon a finding that the nature of the use and/or past performance of the requested use or similar use demonstrates the ability to fully conform with the intent of this section and the performance standards. The Community Development Director or their authorized representative(s) may refuse a Home Occupation or Address of Convenience permit even though the proposed use may appear technically in conformance with all of the performance standards, if the possibility exists that the proposed use will not be in keeping with the intent of this title-, including maintaining the residential character and compatibility of the area.

(7) Appeal. The decision of the Community Development Director or their authorized representative(s) may be appealed to the Planning Commission by the applicant or any interested party. The appeal must be in writing and clearly state the reason for the appeal and be accompanied by the filing fee.

Section 3 Severability

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 4. Limitation of Actions

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 5. CEQA Compliance

The City Council has determined that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Due to the nature of the proposed code revision, there is no evidence that a *significant* impact to the environment would occur as a result of adoption of the Ordinance.

Section 6. Effective Date

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

I HEREBY CERTIFY that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on February 18, 2014 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 312-2014 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014.

Karen Dunham, City Clerk, City of Rio Dell

675 Wildwood Avenue
 Rio Dell, CA 95562
 (707) 764-3532



Application for Home Occupation Permit
 Section 17.30.120 Rio Dell Municipal Code

Applicant Information		Business Information	
Name:		Name:	

“Home Occupation” means the conduct of an art or profession, the offering of a service on the conduct of a business, or the manufacture of handcraft products in a dwelling by the inhabitants thereof and which is clearly incidental and secondary to the residential use of the dwelling. No more than one truck or other motor vehicle no larger than one ton and no equipment, including but not limited to equipment trailers, backhoes, skid steers, excavators, etc shall be permitted at the site of the Home Occupation.

(1) Home Occupation Performance Standards. Home Occupations, as defined herein, shall be permitted as appurtenant and accessory uses to any residential use, subject to the following minimum performance standards:

- (a) The primary function of a Home Occupation shall not necessitate the rendering of services to customers or clients on the premises;
- (b) A Home Occupation shall not include, but such exclusion shall not be limited to, the following: automobile repair, automobile wrecking, barber shops and beauty parlors, commercial stables, veterinary offices, kennels, or restaurants;
- (c) There shall be no more than one Home Occupation in any dwelling unit;
- (d) Home Occupation permits shall be limited to the applicant only and shall not be transferable;
- (e) The activity shall be limited to the hours between 7:00 a.m. and 10:00 p.m.;
- (f) The occupation or profession shall be carried on wholly within a dwelling unit or accessory building;
- (g) Not more than 25 percent or 500 square feet (whichever is more) of the total floor area within the dwelling unit or no more than 500 square feet of an accessory building shall be used in connection with any Home Occupation;
- (h) There shall be no exterior storage of material and no other exterior indication of the Home Occupation or variation from the residential character of the principal building;
- (i) A Home Occupation shall not create pedestrian, automobile, or truck traffic significantly in excess of the normal amount in the district;

(j) No mechanical equipment shall be used that produces offensive noise, vibration, smoke, dust, odors, or heat. No lighting that produces offensive glare shall be used;

(k) No more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Home Occupation;

(l) Special considerations, exceptions, etc., may be granted by the Planning Commission upon submittal of satisfactory evidence of physical handicap, which precludes normal employment or conduct of business anywhere but as a home occupation;

(m) Any business not complying with the above standards shall require a conditional use permit.

(2) Business License Required. Every Home Occupation permittee shall obtain a business license and keep it current during the life of the business.

(3) Action by the Community Development Director or their authorized representative(s). The Community Development Director or their authorized representative is authorized to grant a Home Occupation permit only upon a finding that the nature of the use and/or past performance of the requested use or similar use demonstrates the ability to fully conform with the intent of the performance standards. The Community Development Director or their authorized representative(s) may refuse a Home Occupation permit even though the proposed use may appear technically in conformance with all of the performance standards, if the possibility exists that the proposed use will not be in keeping with the intent of this title, including maintaining the residential character and compatibility of the area.

(4) Appeal. The decision of the Community Development Director or their authorized representative may be appealed to the Planning Commission by the applicant or any interested party. The appeal must be in writing and clearly state the reason for the appeal and be accompanied by the filing fee.

I hereby certify that I have read and understand the above Home Occupation provisions, Section 17.30.120 of the Rio Dell Municipal Code (RDMC). I further agree to abide to the Home Occupation Performance Standards. I understand that non-compliance with the Home Occupation Performance Standards will result in revocation of my Business License and Home Occupation Permit.

Applicant's Signature

Date

Staff Use Only

Amount Paid:	Receipt No.	Approved By:	Date:

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



Application for Address of Convenience Permit
Section 17.30.120 Rio Dell Municipal Code

Applicant Information		Business Information	
Name:		Name:	

“Address of Convenience” means non-residential activities associated with any profession, occupation or hobby, having no employees, receiving no more than one delivery per day at the residence and utilizing a private residence only for receiving mail, phone calls and related record keeping (typically a mobile business). No more than one truck or other motor vehicle no larger than one ton and shall be permitted at the site of the Home Occupation.

Address of Convenience Performance Standards. Address of Conveniences as defined herein, shall be permitted as appurtenant and accessory uses to any residential use, subject to the following minimum performance standards:

- (a) The primary function of the Address of Convenience is for receiving mail, phone calls and related record keeping (typically a mobile business);
- (b) An Address of Convenience shall not include any employees at the premises;
- (c) An Address of Convenience shall not include the rendering of services to clients or customers at the premises;
- (d) An Address of Convenience shall not generate more than one delivery per day to the residence;
- (e) No more than one truck or other motor vehicle no larger than one ton shall be permitted in conjunction with any Address of Convenience;
- (f) The Address of Convenience shall be carried on wholly within a dwelling unit or accessory building;
- (g) There shall be no exterior storage of materials, equipment or vehicles and no other exterior indication of the Address of Convenience other than the vehicle allowed by subdivision (e) or variation from the residential character of the principal building.
- (h) Not more than 25 percent or 500 square feet (whichever is more) of the total floor area within the dwelling unit or accessory building shall be used in connection with any Address of Convenience;

(2) Business License Required. Every Home Occupation and Address of Convenience permittee shall obtain a business license and keep it current during the life of the business.

(3) Action by the Community Development Director or their authorized representative(s). The Community Development Director or their authorized representative is authorized to grant a Address of Convenience permit only upon a finding that the nature of the use and/or past performance of the requested use or similar use demonstrates the ability to fully conform with the intent of the performance standards. The Community Development Director or their authorized representative(s) may refuse a Address of Convenience permit even though the proposed use may appear technically in conformance with all of the performance standards, if the possibility exists that the proposed use will not be in keeping with the intent of this title, including maintaining the residential character and compatibility of the area.

(4) Appeal. The decision of the Community Development Director or their authorized representative may be appealed to the Planning Commission by the applicant or any interested party. The appeal must be in writing and clearly state the reason for the appeal and be accompanied by the filing fee.

I hereby certify that I have read and understand the above Address of Convenience provisions, Section 17.10.120 of the Rio Dell Municipal Code (RDMC). I further agree to abide to the Address of Convenience Performance Standards. I understand that non-compliance with the Address of Convenience Performance Standards will result in revocation of my Business License and Home Occupation Permit.

Applicant's Signature

Date

Staff Use Only

Amount Paid:	Receipt No.	Approved By:	Date:

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



Public Notice
City of Rio Dell City Council
SUMMARY FOR POSTING AFTER ADOPTION OF ORDINANCE

(The summary shall be published or posted within 15 calendar days after the adoption of the ordinance)

Summary

On **Tuesday, March 4, 2014 at 6:30 p.m.**, the Rio Dell City Council held a public hearing in the City Council Chamber at City Hall and approved and adopted **Ordinance No. 312-2014 amending Section 17.30.120 of the Rio Dell Municipal Code, the Home Occupation Regulations, to include the establishment of Address of Convenience provisions and amending the Zoning Definitions Section 17.10.010 of the Rio Dell Municipal Code to include additional definitions.**

Section 36933(a) of the California Government Code requires that the City Clerk, to post a summary of the Ordinance within 15 days of adoption with the names of those City Council members voting for or against, or otherwise voting in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted Ordinance. Said Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:


A certified copy of the full text of the Ordinance is posted in the office of the City Clerk at 675 Wildwood Avenue in Rio Dell. General questions regarding the Ordinance and the process should be directed to Kevin Caldwell, Community Development Director, (707) 764-3532 or Graham Hill, Police Chief, (707) 764-5641.


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 4, 2014

To: City Council

From: Kevin Caldwell, Community Development Director 

Through:  Jim Stretch, City Manager

Date: February 27, 2014

Subject: Text Amendment Establishing Cottage Industry Regulations and Definition,
Sections 17.30.075 and 17.10.010 of the Rio Dell Municipal Code

Recommendation:

That the City Council:

1. Receive staff's report regarding the proposed text amendment; and
2. Continue (re-open) the public hearing, receive public input, and deliberate; and
3. Adopt Ordinance No. 313-2014 establishing Cottage Industry and Cottage Food Industry Regulations, Section 17.30.075 and amending the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code (RDMC) to include Cottage Industry.
4. Direct the City Clerk, within 15 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of those City Council members voting for or against, or otherwise voting in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted Ordinance pursuant to Section 36933(a) of the California Government Code.

Background/Summary

At your meeting of February 18, 2014 the first reading (introduction) of Ordinance No. 313-2014 establishing Cottage Industry Regulations, Section 17.30.075 and amending the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code (RDMC) to include Cottage Industry was conducted.

Again, the Cottage Industry provisions allow for light manufacturing uses, including but not limited to ceramic studios, custom jewelry, wood-working, small furniture and cabinet manufacturers or metal fabrication, machining and welding. As mandated by the 2013 California Homemade Food Act (AB 1616), also included in the Cottage Industry regulations are provisions for Cottage Food Industries. The California Homemade Food Act allows one employee who does not reside at the residence.

Staff and the Planning Commission recommended a performance based approach for Cottage Industries. Incidental sales are allowed so long as the sales do not result in a significant increase in traffic.

At the February 18th Council meeting there was substantial discussion regarding the Planning Commission's recommendation to allow signs as part of the Cottage Industry operations. In the end the Council felt that there should be no exterior indication of the use, including signs. As such, the Council directed staff to eliminate the sign provisions. Staff has amended the Ordinance accordingly.

Zone Reclassification Required Finding:

1. The proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected.

One of the six Goals identified in the Land Use Element of the General Plan is: "To grow sustainably, provide economic opportunities and local jobs". In addition, Land Use Policy LU-17 includes the following language: "Strengthen and diversify the local economy and maintain and improve property values." Furthermore, Land Use Policies LU-21 and LU-24 calls for in part "...the creation and retention of employment opportunities... and ...economic development in Rio Dell...". The proposed establishment of Cottage Industry regulations is consistent with the Goals and Polices of the General Plan

2. The proposed amendments have been processed in accordance with the California Environmental Quality Act (CEQA).

The primary purpose of the California Environmental Quality Act (CEQA) is to inform the decision makers and the public of potential environmental effects of a proposed project.

Based on the nature of the project, staff has determined that the project is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a *significant* effect on the environment. Where it can be seen with certainty that there is no possibility that the project in question may have a significant effect on the environment, the project is not subject to CEQA. Based on the nature of the proposed amendments, including the recommended Performance Standards, staff believes there is no evidence to suggest that the amendments will have a *significant* effect on the environment.

Financial Impact

The City is responsible for the costs associated with the proposed amendment. The cost is insignificant and will not result in additional budget expenditures or revisions.

Attachments:

1. Ordinance No. 313-2014 establishing Cottage Industry Regulations, Section 17.30.075 and amending the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code (RDMC) to include Cottage Industry.
2. Cottage Industry Permit.
3. Post Adoption Summary.

ORDINANCE NO. 313 – 2014



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL
ESTABLISHING COTTAGE INDUSTRY REGULATIONS,
SECTION 17.30.075 AND AMENDING THE DEFINITIONS, SECTION 17.10.010 OF
THE RIO DELL MUNICIPAL CODE TO INCLUDE COTTAGE INDUSTRY

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

WHEREAS the City is contacted time to time regarding potential home occupations, including ceramic studios, wood-working and metal fabrication and welding; and

WHEREAS these types of uses do not fit the definition of a Home Occupation; and

WHEREAS although exceptions to the Home Occupation performance standards could approved with a Conditional Use Permit (CUP), the cost of a CUP almost always discourages potential businesses from making application; and

WHEREAS the Planning Commission is recommending the City establish Cottage Industry provisions and performance standards to allow Cottage Industries in residential zones; and

WHEREAS "Cottage Industry" means the on-site production of goods by hand manufacturing in an enclosed building which involves only the use of hand tools or domestic mechanical equipment or a single kiln, and the incidental direct sale to consumers of only those goods produced on-site by the inhabitants of the property and which is clearly incidental and secondary to the residential use of the property; and

WHEREAS typical Cottage Industry uses include, but are not limited to, ceramic studios, custom jewelry, wood-working, small furniture and cabinet manufacturers or metal fabrication and welding; and

WHEREAS the Planning Commission is recommending that no more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Cottage Industry; and

WHEREAS Cottage Food Operations are included as a Cottage Industry. The California Homemade Food Act (AB 1616) became effective on January 1, 2013 and exempts home-based

food businesses, known as Cottage Food Operations, from many regulations that apply to traditional food production; and

WHEREAS AB 1616 requires cities and counties to allow Cottage Food Operations in private residences, but permits local ordinances that impose “reasonable” standards, restrictions and requirements concerning spacing and concentration, traffic control, parking and noise control; and

WHEREAS AB 1616 allows customers to come to the residence, and allows one employee who does not reside within the home; and

WHEREAS the Planning Commission is recommending a performance based approach, similar to the Home Occupation and Address of Convenience regulations, to the Cottage Industry regulations; and

WHEREAS the General Plan contains goals and policies that encourage economic development; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Sections 65350 – 65362 of the California Government Code; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Section 17.35.010 of the City of Rio Dell Municipal Code; and

WHEREAS the City finds that based on evidence on file and presented in the staff report that the proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected; and

WHEREAS the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Rio Dell finds that:

1. The proposed amendment is consistent with the General Plan and any applicable specific plan; and
2. The proposed amendment is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Rio Dell does hereby ordain as follows:

Section 1. Section 17.10.010, Definitions, of the Rio Dell Municipal Code is hereby amended to include the following definition:

“Cottage Industry” means the on-site production of goods by hand manufacturing in an enclosed building which involves only the use of hand tools or domestic mechanical equipment or a single kiln, and the incidental direct sale to consumers of only those goods produced on-site by the inhabitants of the property and which is clearly incidental and secondary to the residential use of the property. Typical uses include, but are not limited to, ceramic studios, custom jewelry, wood-working, small furniture and cabinet manufacturers or metal fabrication and welding. No more than one truck or other motor vehicle no larger than one ton shall be permitted at the site of the Cottage Industry.

Section 2. Section 17.30.075, Cottage Industry Regulations, of the Rio Dell Municipal Code is hereby established as follows:

17.30.075 COTTAGE INDUSTRY.

(1) Purpose. The purpose of these regulations is to establish performance standards and limitations for the operation and maintenance of Cottage Industries.

(2) Applicability. Notwithstanding any other provisions of this Code to the contrary, Cottage Industries, as defined in this Code, that meet all the criteria of the following Performance Standards section, shall be permitted as appurtenant, accessory and incidental to a residential use in the Urban Residential (UR), Suburban Residential (SR), Suburban (S) and Rural (R) zones.

(3) Cottage Industry Performance Standards. Cottage industries defined herein are allowed as principally permitted appurtenant and accessory uses to existing residential uses subject to the following minimum performance standards:

(a) The Cottage Industry shall conform with the development standards in the applicable zoning district;

(b) The dwelling on the site shall be occupied by the owner of the Cottage Industry;

(c) The Cottage Industry shall occupy no more than twenty five percent (25%) of the floor area of the dwelling; Cottage Industries in accessory buildings shall be limited to not more than fifty (50%) or 1000 square feet, which is ever more of the floor area of the building.

(d) The Cottage Industry shall not create noise, odors, smoke or other nuisances to a degree greater than that normal for the neighborhood;

(e) All noise generating operations shall be buffered so that they do not exceed 60 dB(a) at the property lines;

- (f) There shall be no structural, electrical or plumbing alterations necessary for the Cottage Industry which are not customarily found in dwellings or residential accessory structures;
- (g) No persons other than residents of the dwelling shall be employed to conduct the Cottage Industry;
- (h) All lights shall be directed on site and shielded to reduce glare to adjacent areas;
- (i) There shall be no more than one Cottage Industry in any dwelling unit or accessory building;
- (j) Cottage Industry permits shall be limited to the applicant only and shall not be transferable;
- (k) The activity shall be limited to the hours between 8:00 a.m. and 5:00 p.m.;
- (l) The occupation or profession shall be carried on wholly within a dwelling unit or accessory building;
- (m) There shall be no exterior storage of material and no other exterior indication of the Cottage Industry other than the sign or nameplate allowed by subdivision (p) or variation from the residential character of the principal building;
- (n) A Cottage Industry shall not create pedestrian, automobile, or truck traffic significantly in excess of the normal amount in the district;
- (o) No mechanical equipment shall be used that produces offensive noise, vibration, smoke, dust, odors, or heat;
- (p) No more than one truck or other motor vehicle no larger than one (1) ton shall be permitted at the site of the Cottage Industry;
- (q) No visual or audible interference of radio or television reception by the operations shall be permitted;
- (r) All manufacturing and fabricating areas shall be enclosed in buildings;
- (s) On-site customers and the incidental direct sale of only those goods produced on-site shall only be allowed on the property between the hours of 9:00 a.m. to 6:00 p.m., seven days a week.
- (t) Not more than four (4) on-site customer vehicle trips per day shall be allowed.

(u) Any business not complying with the above performance standards shall require a Conditional Use Permit.

(4) Cottage Industry Food Operations. In addition to the above Performance Standards, unless otherwise identified herein, Cottage Industry Food Operations as defined under the California Homemade Food Act (AB 1616) shall comply with the following regulations:

(a) No more than one (1) employee other than residents of the dwelling shall be employed to conduct the Cottage Industry Food Operations;

(b) The applicant shall obtain a Class A or Class B permit for Cottage Food Operations from the Humboldt County Department of Environmental Health prior to the approval of the Cottage Industry Permit.

(5) Business License Required. Every Cottage Industry permittee shall obtain a business license and keep it current during the life of the business.

(6) Cottage Industry Permit Required. In order to ensure that the intent of these regulations are implemented and that all Cottage Industries will be operated under the performance standards required herein, all Cottage Industries in the City of Rio Dell must secure approval of a Cottage Industry permit. Such Cottage Industry permit shall contain a listing of all Cottage Industry performance standards and a certification that the applicant has read and agrees to comply with all City regulations and performance standards contained therein.

(7) Action by the Community Development Director or their authorized representative(s). The Community Development Director or their authorized representative(s) is authorized to grant a Cottage Industry permit only upon a finding that the nature of the use and/or past performance of the requested use or similar use demonstrates the ability to fully conform with the intent of this section and the performance standards. The Community Development Director or their authorized representative(s) may refuse a Cottage Industry permit even though the proposed use may appear technically in conformance with all of the performance standards, if the possibility exists that the proposed use will not be in keeping with the intent of this title, including maintaining the residential character and compatibility of the area.

(8) Appeal. The decision of the Community Development Director or their authorized representative(s) may be appealed to the Planning Commission by the applicant or any interested party. The appeal must be in writing and clearly state the reason for the appeal and be accompanied by the filing fee.

Section 3 Severability

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 4. Limitation of Actions

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 5. CEQA Compliance

The City Council has determined that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Based on the nature of the proposed amendments, including the recommended Performance Standards, staff believes there is no evidence to suggest that the amendments will have a *significant* effect on the environment.

Section 6. Effective Date

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

I HEREBY CERTIFY that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on February 18, 2014 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 313-2014 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014.

Karen Dunham, City Clerk, City of Rio Dell

**675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532**



**Public Notice
City of Rio Dell City Council
SUMMARY FOR POSTING AFTER ADOPTION OF ORDINANCE**

(The summary shall be published or posted within 15 calendar days after the adoption of the ordinance)

Summary

On **Tuesday, March 4, 2014 at 6:30 p.m.**, the Rio Dell City Council held a public hearing in the City Council Chamber at City Hall and approved and adopted **Ordinance No. 313-2014 establishing Cottage Industry and Cottage Food Industry Regulations, Section 17.30.075 and amending the Zoning Definitions, Section 17.10.010 of the Rio Dell Municipal Code (RDMC) to include Cottage Industry.**

Section 36933(a) of the California Government Code requires that the City Clerk, to post a summary of the Ordinance within 15 days of adoption with the names of those City Council members voting for or against, or otherwise voting in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted Ordinance. Said Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the March 4, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

A certified copy of the full text of the Ordinance is posted in the office of the City Clerk at 675 Wildwood Avenue in Rio Dell. General questions regarding the Ordinance and the process should be directed to Kevin Caldwell, Community Development Director, (707) 764-3532 or Graham Hill, Police Chief, (707) 764-5641.

Rio Dell City hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com



March 4, 2104

TO: Rio Dell City Council

FROM:  Jim Stretch, City Manager

SUBJECT: Adopt Ordinance 319-2014 to Amend and Correct Section 3.30.060 of the City of Rio Dell Municipal Code (Informal Bidding).

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Open the public hearing for the first reading of Ordinance 319-2014, by title only, for the amendment of Rio Dell Municipal Code Section 3.30.060 concerning the informal bidding process as set forth by Public Contract Code Section 22032, and
2. Continue the public hearing and second reading of Ordinance 319-2014 to the meeting of March 18, 2014 for adoption.

BACKGROUND AND DISCUSSION

On November 8, 2012 the Rio Dell City Council adopted Ordinance 298-2012 establishing a purchasing procedure for the City. Included in that policy were provisions for an informal bidding procedure under Public Contract Code Section 22032 whereby formal public bidding procedures could be streamlined. One of those requirements was to establish and maintain a list of qualified contractors identified by various categories of work; paving and electrical for example, as well as a number of other requirements. This list was never established.

Learning of this, the Public Works Director reviewed the City Code Chapter with the City Attorney and found that it had not been properly drafted and needed correction. That amendment is enclosed as Attachment #1 with the amendments noted in "blue". Attachment #2 sets forth the amended text of Section 3.30.060 (Informal bidding) as recommended in the form of Ordinance 319-2014, replacing the section.

By-in-large, the specific language of the Public Contract Code is noted as amendments in Attachments #1 and the extra City requirements for contractors wanting to be placed on the list are deleted by ~~strike through~~, such as requiring a City Business License and

ORDINANCE NO. 319-2014

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
RIO DELL REGARDING AN AMENDMENT TO THE INFORMAL
BIDDING PROCESS AS SET FORTH IN SECTION 3.30.060
OF THE CITY OF RIO DELL MUNICIPAL CODE**

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

WHEREAS: Public Contract Code Section 22032 of the State of California provides that a city may establish an informal bidding procedure if certain conditions and processes are met, and

WHEREAS: On November 8, 2012 the City Council of the City of Rio Dell adopted Ordinance 298-2012, establishing Title 3, Chapter 3.30 of the City of Rio Dell Municipals Code concerning a purchasing procedure for the City, including an informal bidding process in Section 3.30.060, and

WHEREAS: City staff now determines that Section 3.30.060 of the City of Rio Dell Municipal Code contains additional requirements of qualified contractors who wish to place on an informal bidders list for various categories of work for which they are licensed, beyond that allowed in the aforementioned Public Contract Code.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Rio Dell does hereby ordain as follows:

SECTION 1. Section 3.30.060 of the City of Rio Dell Municipal Code is replaced in its entirety as follows:

3.30.060 Informal bidding.

Pursuant to subdivision (b) of Section 22032 of the Public Contract Code the city shall enact an informal bidding procedure as follows:

(1) The City shall maintain a list of qualified contractors, identified according to categories of work. The contractors list shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.

(2) All contractors on the list for the category of work being bid and all appropriate trade journals shall be mailed a notice inviting informal bids unless the product or service is proprietary.

(3) All mailing of notices to contractors and construction trade journals pursuant to subdivision (2) of this section shall be completed not less than 10 calendar days before bids are due.

(4) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for submission of bids.

(5) The City Council delegates the authority of awarding informal bids to the City Manager or his designee.

(6) If all bids received are in excess of the authorized informal bid limit set forth in Section 22032 of the Public Contract Code, the City Council may, by adoption of a resolution by a four-fifths vote, award the contract for an additional ten percent (10%) to the lowest responsible bidder if the City Council determines the cost estimate for the project was reasonable.

SECTION 2. Severability

If any provision of this Ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

SECTION 3. Effective Date

This Ordinance shall be effective thirty (30) days after the date of its approval and adoption by the Rio dell City Council.

I HEREBY CERTIFY that the foregoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio dell on March 4, 2014 and furthermore was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell on the eighteenth (18th) of March 2014 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Jack Thompson, Mayor

ATTEST:

I Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify that the above and foregoing to be a full, true and correct copy of the Ordinance of 319-2014 adopted by the City of Rio Dell on March 18, 2014.

Karen Dunham, City Clerk, City of Rio Dell

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 4, 2014

To: City Council

From: Kevin Caldwell, Community Development Director 

Through:  Jim Stretch, City Manager

Date: February 27, 2014

Subject: Community Development Department Fees.

Recommendation:

That the City Council:

1. Receive staff's report regarding the proposed fee amendment; and
2. Open the public hearing, receive public input, and deliberate; and
3. Adopt Resolution No. 1219-2014 repealing Resolution No. 1136-2011, establishing fees for Address of Convenience and Cottage Industry permits and lowering required for deposits for Certificates of Compliances, Lot Line Adjustments and Parcel Mergers.

Discussion

In November of 2011 the Council adopted Resolution No. 1136-2011 which repealed Resolution No. 921-2006. Resolution No. 1136-2011 included new fees for appeals, extensions and information requests.

The recently approved Address of Convenience and Cottage Industry permit provisions necessitates the adoption of associated fees. The current fee for Home Occupation Permits,

which was adopted in 2006, is \$75.00. At that time, the City had a contract Planner and the cost of referring the Home Occupation Permit to the contract Planner, the cost of filing and processing the fee was estimated to be around \$75.00. The City now has an in-house Planner and based on experience the actual cost for reviewing, referring and issuing/approving the Home Occupation Permit, based on current billable burdened rates about \$40.00. The average cost of a typical permit is based on the following:

**Typical Average Fees
Home Occupation/Address of Convenience/Cottage Industry Permits**

Staff	Task	Time	Hourly Burdened Rate	Cost
Fiscal Assistant II	Receive and review application for completeness	5 min.	\$34.00	\$2.85
City Clerk	Review application, records check, check zoning and land use requirements.	10 min.	\$61.00	\$10.20
Community Development Director	Review application, verify zoning and land use requirements.	5 min.	\$58.00	\$4.85
City Manager	Review application, recommendation from staff, approve business license/permit.	5 min.	\$92.00	\$7.65
City Clerk	Contact applicant and let them know the permit was either approved, denied or additional information is necessary.	5 min.	\$61.00	\$5.10
Fiscal Assistant II	Receive fees, prepare receipt, print Business License, mail to applicant and file copies of permit.	15 min.	\$34.00	\$8.50
Total Estimated Costs:				\$39.15

In addition to the recommended fee adjustment for Home Occupation Permits and the new fees for Address of Convenience and Cottage Industry permits, staff is recommending reducing the required deposit for Certificates of Compliance, Lot Line Adjustments and Parcel Mergers. Other than Home Occupation, Address of Convenience, Cottage Industry and Encroachment permits, all other permits and/or projects fees are based on actual costs based on the City's current burdened rates.

The current required deposit for Certificates of Compliance with local and State subdivision regulations is \$700.00. Staff is recommending that the required deposit be reduced to \$250.00. The current required deposit for Lot Line Adjustments is also \$700.00. Based on recent experience, staff is recommending that the deposit for Lot Line Adjustments be reduced to \$500.00. Staff is also recommending that the deposit for Parcel Mergers be reduced from \$500.00 to \$200.00.

California Environmental Quality Act (CEQA)

The adoption of fees and charges for development projects are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(8) of the Public Resources Code.

Public Notice

Section 66016 of the California Government Code requires Cities to post a public Notice at least fourteen (14) days prior to the adoption of any new fees at a minimum of three (3) public places. The Public Notice was posted on February 14, 2014 at City Hall, the Rio Dell Library, and the Post Office and on the Community Bulletin Board located at the City parking lot downtown.

Effective Date

Pursuant to Section 66017 of the California Government Code, the new fees will become effective sixty (60) days after adoption of the Resolution. Accordingly, the new fees will become effective on May 5, 2014.

Attachments

- Attachment 1: Resolution 1219-2014
- Attachment 2: Revised Fee Schedule
- Attachment 3: Public Notice
- Attachment 4: 2013/2014 Billable Burdened Rates

RESOLUTION NO. 1219-2014



RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL REPEALING RESOLUTION NO. 1136-2011 AND AMENDING THE COMMUNITY DEVELOPMENT DEPARTMENTS FEE SCHEDULE:

WHEREAS the City of Rio Dell is authorized by Article XIII of the California Constitution and the California Government Code to charge fees to cover the costs of permit processing; and

WHEREAS various provisions of State law provide that fees for planning services cannot exceed the actual costs of processing applications; and

WHEREAS in November of 2011 the Council adopted Resolution No. 1136-2011 which repealed Resolution No. 921-2006. Resolution No. 1136-2011 included new fees for appeals, extensions and information requests; and

WHEREAS the recently approved Address of Convenience and Cottage Industry permit provisions necessitates the adoption of associated fees. The current fee for Home Occupation Permits, which was adopted in 2006, is \$75.00; and

WHEREAS in 2006, the City had a contract Planner and the cost of referring the Home Occupation Permit to the contract Planner, the cost of filing and processing the fee was estimated to be around \$75.00; and

WHEREAS the City now has an in-house Planner and based on experience the average cost for reviewing, referring and issuing/approving the Home Occupation Permit, based on current billable burdened rates is approximately \$39.15; and

WHEREAS the process for reviewing and approving the new Address of Convenience and Cottage Industry permits is identical to the Home Occupation permits; and

WHEREAS other than Home Occupation, Address of Convenience, Cottage Industry and Encroachment permits, all other permits and/or projects fees are based on actual costs based on the City's current burdened rates; and

WHEREAS in addition to the recommended fee adjustment for Home Occupation Permits and the new fees for Address of Convenience and Cottage Industry permits, staff is recommending

reducing the required deposit for Certificates of Compliance, Lot Line Adjustments and Parcel Mergers; and

WHEREAS the current required deposit for Certificates of Compliance with local and State subdivision regulations is \$700.00. Staff is recommending that the required deposit be reduced to \$250.00; and

WHEREAS the current required deposit for Lot Line Adjustments is also \$700.00. Based on recent experience, staff is recommending that the deposit for Lot Line Adjustments be reduced to \$500.00; and

WHEREAS staff is also recommending that the deposit for Parcel Mergers be reduced from \$500.00 to \$200.00; and

WHEREAS the adoption of fees and charges for development projects are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(8) of the Public Resources Code; and

WHEREAS Section 66016 of the California Government Code requires Cities to post a public Notice at least fourteen (14) days prior to the adoption of any new fees at a minimum of three (3) public places. The Public Notice was posted on February 14, 2014 at City Hall, the Rio Dell Library, and the Post Office and on the Community Bulletin Board located at the City parking lot downtown; and

NOW, THEREFORE, BE IT RESOLVED that the City Council approves and adopts the following:

Section 1. Findings

1. The fees established herein do not exceed the costs associated with processing required permits; and
2. A duly noticed public hearing on the proposed fees was conducted in the manner prescribed by applicable provisions of State law; and
3. The adoption of fees and charges for development projects are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(8) of the Public Resources Code

Section 2. Community Development Department Fees

1. The fees identified in Exhibit A shall be collected as a deposit and applicants will be charged 100% of all actual costs associated with processing permits based on current total burdened hourly rates; and

2. General information regarding local, state and federal regulations and issues will be provided for fifteen (15) minutes free of charge. After fifteen minutes of staff time, the prospective applicants shall be required to schedule a Pre-Application Review or submit an Information Request and pay the associated fee identified in Exhibit A; and
3. If processing costs exceed 80% of the deposit, an additional deposit will be required to continue application processing; and
4. Any portion of the deposit remaining over \$25.00 after processing costs will be refunded following application decision; and
5. Double fees are assessed for all projects started without required permits.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council approves and adopts the following:

1. Fees and charges for development project review shall be as set forth in Exhibit A; and
2. The fees established herein do not exceed the costs associated with processing required permits; and
3. Resolution No. 1136-2011 adopted on November 15, 2011 is hereby repealed; and
4. The fees and charges for development project review as set forth in Exhibit A shall take effect on May 5, 2014.

I HEREBY CERTIFY that the forgoing Resolution was PASSED, APPROVED and ADOPTED at a regular meeting of the City Council of the City of Rio Dell on March 4, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Resolution No. 1219-2014 adopted by the City Council of the City of Rio Dell on March 4, 2014.

Karen Dunham, City Clerk, City of Rio Dell

2013/2014
Billable Burdened Rates
 Resolution No. 1207-2013
 Adopted October 1, 2013

Title	Hourly		Indirect Expense	Total Billable
	Rate	Benefits	Per Labor Hour	Hourly Rate
City Clerk	28.18	48%	19.78	\$61.00
City Manager	51.74	39%	19.78	\$92.00
Accountant II	24.65	36%	10.62	\$44.00
Finance Director	34.41	36%	10.62	\$57.00
Fiscal Assistant I	14.55	36%	10.62	\$30.00
Fiscal Assistant II	17.36	36%	10.62	\$34.00
Senior Fiscal Assistant	18.78	36%	10.62	\$36.00
Chief of Police	40.57	58%	11.59	\$76.00
Police Officer	22.63	58%	11.59	\$47.00
Police Officer	22.63	58%	11.59	\$47.00
Police Officer	21.27	58%	11.59	\$45.00
Police Sergeant	27.94	58%	11.59	\$56.00
Utility Lead	19.20	53%	38.26	\$68.00
Utility Worker	14.22	53%	38.26	\$60.00
Utility Worker	13.75	53%	38.26	\$59.00
Utility Worker	13.75	53%	38.26	\$59.00
Wastewater Superintendent	26.13	53%	38.26	\$78.00
Water Superintendent	29.40	53%	38.26	\$83.00
Community Development Director	36.35	34%	9.24	\$58.00