AGENDA
REGULAR MEETING
CITY OF BANNING
BANNING, CALIFORNIA

August 13, 2013
5:00 p.m.

Banning Civic Center
Council Chambers
99 E. Ramsey St.

Per City Council Resolution No. 2010-38 matters taken up by the Council before 9:00 p.m. may be concluded, but no new matters shall be taken up after 9:00 p.m. except upon a unanimous vote of the council members present and voting, but such extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

I. CALL TO ORDER
   . Invocation – Pastor Steve Bierly, Church of the Nazarene
   . Pledge of Allegiance
   . Roll Call - Councilmembers Botts, Miller, Peterson, Welch, Mayor Franklin

II. REPORT ON CLOSED SESSION

III. PUBLIC COMMENTS/CORRESPONSENCE

PUBLIC COMMENTS – On Items Not on the Agenda

A five-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, and appropriate Council Action.) See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

CORRESPONDENCE: Items received under the category may be received and filed or referred to staff for future research or a future agenda.

The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens.
IV. CONSENT ITEMS
(The following items have been recommended for approval and will be acted upon simultaneously, unless a member of the City Council wishes to remove an item for separate consideration.)

Motion: That the City Council approve Consent Item 1 through 5 Items to be pulled ___, ___, ___, ___ for discussion.
(Resolutions require a recorded majority vote of the total membership of the City Council)

1. Report of Investments for June 2013 ............................................ 1
2. Ordinance No. 1466 – 2nd Reading: An Ordinance of the City Council of the City of Banning, California, Adopting Zone Change No. 13-3502 to the Zoning Ordinance and Zoning Map in Conformance with the General Plan Housing Element. ................................................................. 7
3. Ordinance No. 1467 – 2nd Reading: An Ordinance of the City Council of the City of Banning, California, Amending Title 17 of the Banning Municipal Code in Conformance with the General Plan Housing Element (Zone Text Amendment No. 13-97502) ................................................................ 14

- Open for Public Comments
- Make Motion

VI. ANNOUNCEMENTS/REPORTS (Upcoming Events/Other Items if any)
- City Council
- City Committee Reports
- Report by City Attorney
- Report by City Manager

VII. ITEMS FOR FUTURE AGENDAS

New Items – None

Pending Items – City Council
1. Schedule Meetings with Our State and County Elected Officials (Sept./Oct.)
2. Consideration of change of attorney within the same firm.
3. Let’s Move – Healthy Initiative (Oct. 8)
4. Workshop Regarding Future of Airport
5. Report on Moving Station 20 back to original firehouse.
6. Workshop on how appointments are made to City Commissions/Committees and attendance.

VIII. ADJOURNMENT
Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Thursday, 7 a.m. to 5 p.m.

NOTICE: Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (951) 922-3102. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].
CITY COUNCIL AGENDA

Date: August 13, 2013

TO: City Council

FROM: June Overholt, Administrative Services Director/Deputy City Manager

SUBJECT: Report of Investments for June 2013

RECOMMENDATION: The City Council receive and file the monthly Report of Investments.

JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Governing Legislative Body.

BACKGROUND: This report includes investments on hand at the end of June 2013. As of June 30, 2013, the City’s operating funds totaled $69,362,290. Included in Successor Agency operating funds is $787,305 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Summary Schedule.

As of June 30, 2013 approximately 46% of the City’s unrestricted cash balances were invested in investments other than LAIF.

The June Investment Report includes the following documents:
- Summary Schedule of Cash and Investments
- Operational Portfolio Individual Investments
- Individual Investments with Fiscal Agent
- Investment Report Supplemental Information

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.244% in June. The average rate for all investments in June was 0.198%.

RECOMMENDED BY:

[Signature]
June Overholt
Administrative Services Director/
Deputy City Manager

APPROVED BY:

[Signature]
Andy Takata
City Manager
## Summary Schedule of Cash and Investments

### Operating Funds

#### Petty Cash
- Amount: 2,805

#### Bank Accounts
<table>
<thead>
<tr>
<th>Bank Account</th>
<th>Interest Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wells Fargo Bank</td>
<td>0.00%</td>
<td>5,578,797</td>
</tr>
<tr>
<td>Bank of America-Airport</td>
<td>0.30%</td>
<td>3,852</td>
</tr>
<tr>
<td>Bank of America-Parking Citations</td>
<td>0.30%</td>
<td>3,051</td>
</tr>
<tr>
<td>Bank of America-CNG Station</td>
<td>0.30%</td>
<td>3,229</td>
</tr>
</tbody>
</table>

**Money Market and Bank Account Sub-Total**: 5,588,928

#### Government Pools
- Account #1 Operating Amount: 36,378,477
- Account #1 CRA Bond Cash Bal: 787,305
- Local Agency Investment Fund: Account #1 Interest Rate: 0.244%, Amount: 37,165,782
- Account #2 Successor Agency Cash Bal: 0
- Local Agency Investment Fund: Account #2 Interest Rate: 0.244%, Amount: 0

**Government Pool Sub-Total**: 37,165,782

**Operating Cash Balance**: 42,757,516

#### Restricted Operating Funds at Riverside Public Utilities
- Highmark U.S. Government Money Market Fund: 0.00%, Amount: 932,337

#### Other Investments
- Investments-US Bank/Piper Jaffray - See Page 2: 0.174%, Amount: 25,672,437

**Operating Funds Total**: 69,362,290

### Fiscal Agent

<table>
<thead>
<tr>
<th>Fiscal Agent</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Bank</td>
<td>35,768,373</td>
</tr>
</tbody>
</table>

**Fiscal Agent Total**: 35,768,373
## City of Banning Investment Report

### June 30, 2013

### Operational Portfolio Individual Investments

<table>
<thead>
<tr>
<th>Par Value</th>
<th>Investment Description</th>
<th>Coupon Rate</th>
<th>Interest Rate</th>
<th>Maturity Date</th>
<th>Purchase Date</th>
<th>Purchase Date</th>
<th>Discount or (Premium) Amortization</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bank Accounts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5,578,797</td>
<td>Wells Fargo Bank-Operating</td>
<td>n/a</td>
<td>0.00%</td>
<td>daily</td>
<td>varies</td>
<td>5,578,797</td>
<td>n/a</td>
<td>5,578,797</td>
</tr>
<tr>
<td></td>
<td>Wells Fargo Bank-Investment Acct</td>
<td>n/a</td>
<td>0.10%</td>
<td>daily</td>
<td>varies</td>
<td>-</td>
<td>n/a</td>
<td>-</td>
</tr>
<tr>
<td>3,852</td>
<td>Bank of America-Airport</td>
<td>n/a</td>
<td>0.30%</td>
<td>daily</td>
<td>varies</td>
<td>3,852</td>
<td>n/a</td>
<td>3,852</td>
</tr>
<tr>
<td>3,051</td>
<td>Bank of America-Parking Citations</td>
<td>n/a</td>
<td>0.30%</td>
<td>daily</td>
<td>varies</td>
<td>3,051</td>
<td>n/a</td>
<td>3,051</td>
</tr>
<tr>
<td>3,229</td>
<td>Bank of America-Parking Citations</td>
<td>n/a</td>
<td>0.30%</td>
<td>daily</td>
<td>varies</td>
<td>3,229</td>
<td>n/a</td>
<td>3,229</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>5,588,928</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Government Pools</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37,165,782</td>
<td>L.A.I.F. account #1</td>
<td>n/a</td>
<td>0.244%</td>
<td>daily</td>
<td>varies</td>
<td>37,165,782</td>
<td>n/a</td>
<td>37,165,782</td>
</tr>
<tr>
<td></td>
<td>L.A.I.F. account #2</td>
<td>n/a</td>
<td>0.244%</td>
<td>daily</td>
<td>varies</td>
<td>0</td>
<td>n/a</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td><strong>Sub-total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>37,165,782</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Investments-US Bank/Piper Jaffray</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,000,000</td>
<td>Federal Home Loan Bks</td>
<td>n/a</td>
<td>0.375%</td>
<td>7/30/2015</td>
<td>1/30/2013</td>
<td>2,000,000</td>
<td>1,997,220</td>
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<tr>
<td>3,000,000</td>
<td>Federal Home Loan Bks</td>
<td>n/a</td>
<td>0.500%</td>
<td>4/11/2016</td>
<td>4/11/2013</td>
<td>3,000,000</td>
<td>2,983,650</td>
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<tr>
<td>1,000,000</td>
<td>FHLMC Mtn</td>
<td>n/a</td>
<td>0.570%</td>
<td>6/20/2016</td>
<td>6/6/2013</td>
<td>1,000,000</td>
<td>994,500</td>
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<tr>
<td>1,000,000</td>
<td>FNMA</td>
<td>n/a</td>
<td>0.750%</td>
<td>6/19/2013</td>
<td>6/19/2013</td>
<td>1,000,000</td>
<td>990,930</td>
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<tr>
<td>1,000,000</td>
<td>FNMA Deb</td>
<td>n/a</td>
<td>0.550%</td>
<td>6/6/2016</td>
<td>6/20/2013</td>
<td>1,000,000</td>
<td>993,230</td>
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</tr>
<tr>
<td>17,712,907</td>
<td>Money Market</td>
<td>n/a</td>
<td>0.020%</td>
<td>daily</td>
<td>varies</td>
<td>17,712,907</td>
<td>0</td>
<td>17,712,907</td>
</tr>
<tr>
<td></td>
<td><strong>US Bank/Piper Jaffray Average Rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>0.174%</strong></td>
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</tr>
<tr>
<td></td>
<td><strong>Average Rate All</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>0.198%</strong></td>
<td></td>
</tr>
</tbody>
</table>

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on August 28, 2012. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 117 days and does not include Bond Reserve Fund Investments.
## Individual Investments with Fiscal Agent

<table>
<thead>
<tr>
<th>Bond Issue Description</th>
<th>Bond Maturity Date</th>
<th>Investment Description</th>
<th>Current Yield</th>
<th>Bond Reserve Maturity Date</th>
<th>Minimum Reserve Requirement</th>
<th>Interest Rate Jun-13</th>
<th>6/30/2013 Market Value</th>
</tr>
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<tbody>
<tr>
<td><strong>COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005 Fair Oaks Ranch Estates</td>
<td>2035</td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>188,943</td>
<td>7.41</td>
<td>218,052</td>
</tr>
<tr>
<td><strong>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003 CRA Tax Allocation Bonds</td>
<td>2028</td>
<td>US Treasury Bill</td>
<td>4.61%</td>
<td>7/28/2011</td>
<td>971,763</td>
<td>0.02</td>
<td>990,228</td>
</tr>
<tr>
<td></td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>557</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.000%</td>
<td>daily</td>
<td>7</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Surplus Fund</td>
<td>0.000%</td>
<td>daily</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redevelop Fund</td>
<td>2037</td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>282.95</td>
<td>8,329,113</td>
<td></td>
</tr>
<tr>
<td>Reserve Fund</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>1,880,751</td>
<td>63.71</td>
<td>1,875,474</td>
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<tr>
<td>Special Fund</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.050%</td>
<td>daily</td>
<td>19</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Surplus Fund</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.000%</td>
<td>daily</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Account</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.000%</td>
<td>daily</td>
<td>0.00</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Principal Account</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>2.46</td>
<td>72,507</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Account</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.050%</td>
<td>daily</td>
<td>111.92</td>
<td>3,294,440</td>
<td></td>
</tr>
<tr>
<td>Principal Account</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserve Fund</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>13.08</td>
<td>385,038</td>
<td></td>
</tr>
<tr>
<td>Project Fund</td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td>2,310,710</td>
<td>78.51</td>
<td>2,310,971</td>
</tr>
<tr>
<td></td>
<td></td>
<td>US Bank Mmkt 5-Ct</td>
<td>0.040%</td>
<td>daily</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US Bank Mmkt 5-Ct</td>
<td></td>
<td>0.030%</td>
<td>daily</td>
<td></td>
<td>32.79</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>US Bank Mmkt 5-Ct</td>
<td></td>
<td>0.040%</td>
<td>daily</td>
<td></td>
<td>2,672,050</td>
<td>90.80</td>
<td>2,672,229</td>
</tr>
<tr>
<td>Acquisition &amp; Construction</td>
<td></td>
<td>0.040%</td>
<td>daily</td>
<td></td>
<td>476.22</td>
<td>14,018,145</td>
<td></td>
</tr>
</tbody>
</table>

*Paid Semi-Annually-Deposited into Money Mkt Account

Total: 1,214.28 35,768,373
City of Banning
Investment Report Supplemental Information

Pooled Cash Distribution
Investment reports for cities typically do not include the cash balance of the individual funds that make up the total pooled cash. This is primarily due to timing differences between when investment reports are prepared and when month end accounting entries are posted. Investment reports are usually prepared first. However, the pie chart below provides an understanding of the percentage distribution of the investments by fund type. The percentages were calculated using the average cash balances from the nine month period of July to March 2013. *(The percentages will be updated quarterly.)*

![Pie chart showing the distribution of funds.]

The Table below describes the funds that are included within the Fund Types used for the pie chart.

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Description of funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental</td>
<td>General Fund</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>Restricted Funds (i.e. CFDs, grants)</td>
</tr>
<tr>
<td>Capital Improvement</td>
<td>Development Impact Fee funds</td>
</tr>
<tr>
<td>Enterprise</td>
<td>Airport, Transit, Refuse, Electric</td>
</tr>
<tr>
<td>Banning Utility Authority</td>
<td>Water, Wastewater, Reclaimed water</td>
</tr>
<tr>
<td>Internal Service</td>
<td>Risk Management, Fleet, IT, Utility Services</td>
</tr>
<tr>
<td>Successor Agency Funds</td>
<td>Previously called Redevelopment Agency</td>
</tr>
</tbody>
</table>
Summary Schedule – Line item descriptions

Petty Cash—

The City maintains petty cash in various departments for incidental purchases. This line item includes the cash drawers for cashiering in utility billing.

Bank Accounts—

- Wells Fargo Bank — This is the City checking account. All cash receipts, payroll and accounts payables checks are processed through this account. Balances fluctuate based on activity and cash flow needs. As excess funds accumulate, they are transferred to LAIF to increase earnings.
- Bank of America – Airport – The City maintains a Trust account for credit card purchases made at the airport. When the account balance exceeds $3000, excess funds are transferred to the Wells Fargo Bank account.
- Bank of America – Parking Citations – The City maintains a Trust account for the processing of parking citations through Turbo Data. When the account balance exceeds $3000, excess funds are transferred to the Wells Fargo Bank account.
- Bank of America – CNG – The City maintains a Trust account for credit card purchases of CNG fuel made at the City yards. When the account balance exceeds $3000, excess funds are transferred to the Wells Fargo Bank account.

Government Pools—

- Local Agency investment Fund – Account #1
  - This account includes both City pooled funds and a restricted cash balance related to the CRA bonds. Investments in LAIF are limited to $50M.
- Local Agency investment Fund – Account #2
  - There is currently no balance in this account.
  - Note: When the State established the cutoff date of January 31, 2012 for the elimination of the Redevelopment Agency, LAIF staff recommended a transfer of the available balance from the CRA account to the City account to protect the funds from a rumored State raid or freezing of the funds.

Restricted Operating Funds at Riverside Public Utilities—

The City Electric operation has an agreement with Riverside Public Utilities (RPU) to purchase power for the City. Part of the agreement requires that the City maintain a balance in the trust account used by RPU. The City does not control the investments or earnings of the trust account.

Other Investments—

Currently the City works with a Piper Jaffray broker to make various investments per the City policy and in accordance with State guidelines. The Broker is not on retainer, nor do they receive a City paid fee with each investment. Funds in the Money Market fluctuate as securities mature or get called. Staff is in the process of investing the Money Market funds over several months. We will be adding an additional broker to provide more investment options.

Fiscal Agent / US Bank—

Unspent bond proceeds and required bond reserves are invested by the Fiscal Agent in accordance with the bond documents.
ORDINANCE NO. 1466

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA ADOPTING ZONE CHANGE NO. 13-3502 TO THE ZONING ORDINANCE AND ZONING MAP IN CONFORMANCE WITH THE GENERAL PLAN HOUSING ELEMENT

WHEREAS, California Government Code Section 65302(c) mandates that each city shall include a Housing Element in its General Plan. The Housing Element is required to identify and analyze existing and projected housing needs and include statements of the City’s goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The City in adopting its Housing Element, must consider economic, environmental, and fiscal factors, as well as community goals as set forth in the General Plan.

WHEREAS, many of the policies and programs contained in the Housing Element are intended to facilitate the preservation, maintenance and improvement of the City’s existing housing stock. These programs would not change development patterns or result in any physical environmental impacts. However, under state law each jurisdiction is also required to demonstrate that local land use plans and zoning regulations provide development opportunities to accommodate the jurisdiction’s assigned fair share of the region’s new housing needs. The process by which fair share housing needs are determined is called the “Regional Housing Needs Assessment” (RHNA). The RHNA is prepared by the Southern California Association of Governments (SCAG). Once the RHNA allocations are adopted by SCAG and accepted by HCD, they become final and no changes or judicial review are permitted under state law; and

WHEREAS, the RHNA identifies Banning’s share of the regional housing need for the January 2006 through June 2014 projection period as 3,841 units. This total includes 873 very-low-income units, 618 low-income units, 705 moderate-income units, and 1,645 above-moderate-income units. In addition, the City must accommodate a RHNA carryover from the previous planning cycle of 598 lower-income units. State law requires the City to demonstrate the availability of adequate sites with appropriate zoning to accommodate the need for various types of housing units commensurate with the RHNA; and

WHEREAS, under state law, a density of at least 20 housing units per acre is considered necessary to facilitate the production of housing affordable to lower-income households in Banning. The Banning General Plan and Zoning Ordinance currently allow a maximum residential density of 18 units/acre in the High Density Residential (HDR) district. As a result, the City’s current land use regulations and inventory of developable land do not provide sufficient capacity to accommodate the state-mandated lower-income portion of the RHNA. Therefore, in order to provide adequate sites to accommodate the City’s fair share need for lower-income housing in compliance with state law and the General Plan Housing Element, amendments to the City’s zoning regulations are required; and
WHEREAS, in accordance with Government Code §65854, on the 7th day of June 2013, the City gave public notice as required under Chapter 17.68 of the Zoning Ordinance by advertising in the Record Gazette newspaper of a public hearing to be held by the Planning Commission regarding Zone Change No. 13-3502; and

WHEREAS, on the 3rd day of July 2013, the Planning Commission held the noticed public hearing at which interested persons had an opportunity to testify in support of, or opposition to, the proposed amendment, and at which time the Planning Commission considered Zone Change No. 13-3502; and

WHEREAS, at this public hearing, the Planning Commission analyzed this proposed project together with the Initial Study/Mitigated Negative Declaration in compliance with California Environmental Quality Act Section 15162 and recommended its adoption by the City Council; and

WHEREAS, On July 12, 2013 notice of the City Council public hearing regarding Zone Change No. 13-3502 was published in the Record Gazette newspaper; and

WHEREAS, on July 23, 2013 the City Council conducted a duly noticed public hearing to consider Zone Change No. 13-3502, at which time all interested persons were invited to provide comments in opposition to or support for the proposed amendment.

NOW THEREFORE, the City Council of the City of Banning does make the following findings and based thereon and the administrative record does ordain as follows:

SECTION 1. ENVIRONMENTAL FINDINGS.

An Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program were prepared in accordance with the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines Sections 15000 through 15387, and the City of Banning Environmental Review Guidelines. City Council Resolution No. 2013-75 as referenced herein provides environmental findings for the Project. The City Council finds that the IS/MND reflects its independent judgment and further finds that the IS/MND satisfies the requirements of CEQA for the proposed project.

SECTION 2. REQUIRED FINDINGS FOR ZONE CHANGE NO. 13-3502:

Finding No. 1: The proposed Zone Change is consistent with the General Plan.

Facts in Support of Finding: The proposed amendments to the Housing and Land Use Elements would demonstrate the availability of adequate sites for residential development commensurate with the Regional Housing Needs Assessment (RHNA) for the 2008-2013 planning period. The proposed amendments to the Zoning Ordinance and Map are not only consistent with the General Plan, they are required to ensure consistency with the Housing and Land Use Elements of the General Plan and the RHNA by
establishing zoning regulations on sufficient sites to accommodate housing development at densities necessary to meet the projected needs of lower-income households in Banning.

Finding No. 2: The proposed Zone Change would not be detrimental to the environment, or to the public interest, health, safety, convenience, or welfare of the City.

Facts in Support of Finding: Pursuant to CEQA, an Initial Study/Mitigated Negative Declaration (IS/MND) has been prepared for the proposed zoning amendments. The IS/MND concluded that with the mitigation measures identified in the General Plan EIR and the IS/MND, development of the sites proposed for redesignation to higher densities would not result in new significant environmental effects that were not previously analyzed and disclosed in the General Plan EIR. Further, any future development on rezoned sites must comply with applicable development standards and environmental requirements designed to protect the health, safety and welfare of the community and its residents. Further facts and evidence in support of this finding are contained in the IS/MND and the accompanying staff report, all of which are incorporated herein by this reference.

Finding No. 3: The subject property is physically suitable for the requested land use designation(s) and the anticipated development(s).

Facts in Support of Finding: Pursuant to CEQA, an Initial Study/Mitigated Negative Declaration (IS/MND) has been prepared for the proposed zoning amendments. The IS/MND concluded that with the mitigation measures identified in the General Plan EIR and the IS/MND, development of the sites proposed for rezoning to higher densities would not result in new significant impacts regarding access, utilities, land use compatibility or other potential environmental effects that were not previously analyzed and disclosed in the General Plan EIR. Further facts and evidence in support of this finding are contained in the IS/MND and the accompanying staff report, all of which are incorporated herein by this reference.

Finding No. 4: The proposed Zone Change shall ensure development of desirable character which will be compatible with existing and proposed development in the surrounding neighborhood.

Facts in Support of Finding: Pursuant to CEQA, an Initial Study/Mitigated Negative Declaration (IS/MND) has been prepared for the proposed zoning amendments. The IS/MND concluded that with the mitigation measures identified in the General Plan EIR and the IS/MND, development of the sites proposed for rezoning to higher densities would not result in new significant impacts to the surrounding properties or the community in general that were not previously analyzed and disclosed in the General Plan EIR. Further facts and evidence in support of this finding are contained in the IS/MND and the
accompanying staff report, all of which are incorporated herein by this reference. Moreover, zoning amendments to allow higher densities are required by state law to ensure consistency with the Regional Housing Needs Assessment.

SECTION 3. CITY COUNCIL ACTIONS.

The City Council hereby takes the following actions:

1. Zoning Code Section 17.08.140 is amended to read as follows:

"17.08.140 - Multi-family housing standards.

Multi-family housing is permitted in the LDR, MDR, and HDR and VHDR zones, and is subject to design review. Multi-family housing shall be constructed in the following manner:

A. All multi-family developments with more than ten units shall provide 30% useable open space for active and passive recreational uses. Useable open space areas may not include: rights of way; vehicle parking areas; areas adjacent to or between any structures less than 15 feet apart; setbacks; detention basins or any use whose primary purpose is not intended for recreation; patio or private yards; or areas with a slope greater than eight percent.

B. Every dwelling unit shall have a patio or balcony not less than 300 square feet in area or 25% of the dwelling unit size, whichever is less.

C. All multi-family developments shall provide recreational amenities within the site such as a: swimming pool; spa; clubhouse; tot lot with play equipment; court game facilities for tennis, basketball or racquetball; improved softball or baseball fields; or day care facilities. The type of amenities shall be approved by the Community Development Director and provided according to the following schedule:

<table>
<thead>
<tr>
<th>Units</th>
<th>Amenities</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 10 units</td>
<td>1 amenity</td>
</tr>
<tr>
<td>11-50 units</td>
<td>2 amenities</td>
</tr>
<tr>
<td>51 to 100 units</td>
<td>3 amenities</td>
</tr>
<tr>
<td>101 to 200 units</td>
<td>4 amenities</td>
</tr>
<tr>
<td>201 to 300 units</td>
<td>5 amenities</td>
</tr>
<tr>
<td>Above 300 units</td>
<td>one amenity should be added for each 100 additional units or fraction thereof.</td>
</tr>
</tbody>
</table>
D. Off street parking spaces for multi-family residential developments shall be located within 150 feet from the front or rear door of the dwelling for which is parking space is designated.

E. Each dwelling unit shall be provided at least 150 cubic feet of private enclosed storage space within the garage, carport, or immediately adjacent to the dwelling unit.

F. Driveway approaches within multi-family developments of more than ten units shall be delineated with interlocking pavers, rough textured concrete, or stamped concrete and landscaped medians.

G. Common laundry facilities of sufficient number and accessibility consistent with the number of living units and the Uniform Building code shall be provided.

H. Every dwelling unit shall be plumbed and wired for a washing machine and a dryer.

I. For multi-family developments of over ten units, security and management plans shall be submitted for review and approval.”

2. Zoning Code Section 17.12.050.H.2 is amended to read as follows:

“2. Multi-family residential uses shall be permitted at a density of up to 18 dwelling units per acre. Multi-family or mixed-use developments with a minimum of 16 units and that reserve at least 50% of the units for lower-income households shall be permitted at a density of up to 20 dwelling units per acre. Multi-family residential uses are prohibited on the ground floor on Ramsey Street and San Gorgonio within the Downtown Commercial district. Multi-family uses on Ramsey Street and San Gorgonio must occur above commercial uses. In the balance of the district, multi-family uses may occur on any level.”

3. Zoning Code Section 17.08.010.B is hereby amended to add a new High Density Residential-20 ("HDR-20") zoning district and to renumber the remaining section as follows:

“9. High Density Residential-20 (HDR-20) (20 du/acre). Allows condominiums and townhomes, as well as apartments with the provision of common area amenities and open space by-right at a minimum density of 20 dwelling units per acre when at least 50% of the units are reserved for lower-income households. The clustering of condominiums and townhomes is appropriate with the provision of common area amenities and open space. Home Occupations may be appropriate with approval of a Home Occupation permit.”
4. Zoning Code Table 17.08.020 is amended to add the following footnote to the HDR section:

"*Housing developments in the HDR-20 district are permitted at a density of 20 dwelling units per acre when at least 50% of the units are reserved for lower-income households. Development standards for qualifying developments shall be as provided for the HDR district in Chapter 17.24."

5. A new Very High Density Residential ("VHDR") zoning district is hereby added to Zoning Code Section 17.08.010.B as follows:

"10. Very High Density Residential (VHDR) (19-24 du/acre). Allows condominiums and townhomes, as well as apartments with the provision of common area amenities and open space. The clustering of condominiums and townhomes is appropriate with the provision of common area amenities and open space. Home Occupations may be appropriate with approval of a Home Occupation permit."

6. Zoning Code Table 17.08.020 is amended to add the following footnote to the new VHDR section:

"**Housing developments in the VHDR district are permitted at a minimum density of 20 dwelling units per acre by-right when at least 50% of the units are reserved for lower-income households."

7. The Zoning Map is hereby amended to change the designations for the following parcels to HDR-20 (Exhibit 5):

   "537-120-034  419-140-059
   540-083-002  534-161-010
   541-110-013  537-110-008
   532-080-004  541-110-009"

8. The Zoning Map is hereby amended to change the designations for the following parcels to VHDR:

   "537-190-018"

SECTION 4. PUBLICATION

The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in the Record Gazette, a newspaper published and circulated in the City. Thereupon, this Ordinance shall take effect thirty (30) days after the adoption and be in effect according to the law.
PASSED, APPROVED AND ADOPTED this 13th day of August, 2013.

Deborah Franklin, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT:

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Ordinance No. 1466 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 23rd day of July, 2013 and was duly adopted at a regular meeting of said City Council held on the 13th day of August, 2013, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

Ord. No. 1466
ORDINANCE NO. 1467

AN ORDINANCE OF THE CITY OF BANNING, CALIFORNIA AMENDING TITLE 17 OF THE BANNING MUNICIPAL CODE IN CONFORMANCE WITH THE GENERAL PLAN HOUSING ELEMENT (ZONE TEXT AMENDMENT NO. 13-97502)

THE CITY COUNCIL OF THE CITY OF BANNING HEREBY ORDAINS AS FOLLOWS:

SECTION 1. CEQA Findings. Pursuant to the California Environmental Quality Act (CEQA) and the City of Banning Environmental Review Guidelines, the City Council finds that the zone text amendment is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3). CEQA Guidelines Section 15061(b)(3) exempts from CEQA those activities that are “not a project”. Independently reviewing the facts stated herein and in the accompanying staff report (which report is hereby incorporated herein by reference) the City Council finds that the Zone Text Amendment is not a project because it is a purely legislative enactment that entails no discretionary approval by the legislative body. Adoption of the Zone Code Amendment entails no discretion on the part of the Council because the Amendment is required by superseding state law, such that if the Zone Code Amendment is not approved, such disapproval will be void under state law and the state laws imposing the proposed amendment will govern in any case. Further, CEQA applies only to projects which have the potential for causing a significant impact on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant impact on the environment, that activity is not subject to CEQA. The City Council therefore directs that a notice of exemption for this Zone Text Amendment be filed in accordance with CEQA.

SECTION 2. REQUIRED FINDINGS FOR ZONE TEXT AMENDMENT NO. 13-97502:

Finding No. 1: The proposed Zone Text Amendment is consistent with the goals and policies of the General Plan.

Facts in Support of Finding: The proposed Zone Text Amendment is required to ensure consistency between the City’s zoning regulation and the Housing Element of the General Plan and state law regarding housing for low-income households and persons with special needs. Nothing in the Zone Text Amendment contravenes the current General Plans and, even if there were such an inconsistency, the Zone Code Amendment resolves such inconsistencies. Moreover, the Zone Code Amendment is required by superseding state law, such that if the Zone Code Amendment is not approved, such disapproval will be void under state law and the state laws imposing the proposed amendment will govern in any case.
Finding No. 2: The proposed Amendment is internally consistent with the Zoning Ordinance.

Facts in Support of Finding: The Zone Text Amendment is consistent with the existing provisions of the Zoning Ordinance. The proposed amendments will conform City zoning regulations to the requirements of state law. Nothing in the Zone Text Amendment is inconsistent with the Zoning Ordinance and, even if there were such an inconsistency, the Zone Code Amendment resolves such inconsistencies. Moreover, the Zone Code Amendment is required by superseding state law, such that if the Zone Code Amendment is not approved, such disapproval will be void under state law and the state laws imposing the proposed amendment will govern in any case.

Finding No. 3: That the City Council has independently reviewed and considered the requirements of the California Environmental Quality Act (CEQA).

Facts in Support of Finding: The City Council’s CEQA review of this Zone Text Amendment is independently based on the facts and law for the reasons stated and found in Section 1, above.

SECTION 3. The City Council hereby amends Section 17.04.070 ("Definitions") of the Banning Municipal Code by adding the following definitions in alphabetical order, with all other provisions of Section 17.04.070 to remain unchanged

"Agricultural Employee Housing: A residential occupancy of single or multiple dwelling units with individual, shared, or no kitchen facilities to provide housing for the employees and their families engaged in agricultural activities. Any employee housing which has qualified, or is intended to qualify, for a permit to operate pursuant to Section 17021.5 of the California Health and Safety Code providing accommodations for six or fewer employees shall be deemed a single-family structure with a residential land use designation.

***

Emergency Shelter: Housing with minimal supportive services for homeless persons that limits occupancy to six months or less and that does not deny emergency shelter due to a person’s inability to pay.

***

Supportive Housing: Housing occupied by a specified target population defined in Section 50675.14 of the California Health and Safety Code that has no limit on length of stay, and that is linked to onsite or offsite services that assist the resident in retaining the housing, improving his or her health status, maximizing his or her ability to live, and — when possible — work in the community. Supportive housing is a residential use subject to the same regulations
and procedures that apply to other residential uses of the same type in the same zone.

***

Transitional Housing: Rental housing operated under program requirements that terminate assistance to residents and recirculate the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months from the initial occupancy date of the recipient. Transitional housing is a residential use subject to the same regulations and procedures that apply to other residential uses of the same type in the same zone.”

SECTION 4. The City Council hereby amends Table 17.12.020 Permitted, Conditional and Prohibited Commercial and Industrial Uses of the Banning Municipal Code as follows:

| Table 17.12.020 PERMITTED, CONDITIONAL AND PROHIBITED COMMERCIAL AND INDUSTRIAL USES |
|-----------------------------------|---|---|---|---|---|---|---|
| | DC | GC | HSC | PO | I | AI | BP | IM |
| Other Uses |   |   |   |   |   |   |   |   |
| Emergency Shelters | X | X | X | X | X | P | X | X |

SECTION 5. The City Council hereby amends Section 17.12.050 Use Specific Standards of the Banning Municipal Code as follows:

| Table 17.12.050 USE SPECIFIC DEVELOPMENT STANDARDS |
|-----------------------------------|---|---|---|---|---|
| T. Emergency Shelters | DC | GC | HSC | PO | I | AI | BP | IM |
|                        |   |   |   |   |   | * |   |   |

U. In addition to the development standards of the base district provided in Sections 17.12.030 and 17.12.040, emergency shelters shall comply with the following use-specific standards:

- Maximum of 25 beds
- Minimum separation of 300 feet between emergency shelters
- Off-street parking ratio of one space per 4 beds plus one space for each staff member on duty
- Management and operations plan required specifying hours of operation, staffing levels and training procedures, maximum length of stay, size and location of exterior and interior on-site waiting and intake areas, admittance and discharge procedures, provisions for on-site or off-site supportive services, house rules regarding use of alcohol and drugs,

Ord No. 1467
on-site and off-site security procedures, and protocols for communications with local law enforcement agencies and surrounding property owners.

SECTION 6. The City Council hereby amends Table 17.08.020 Permitted, Conditional and Prohibited Residential Uses of the Banning Municipal Code as follows:

<table>
<thead>
<tr>
<th>Agricultural Uses</th>
<th>R/A</th>
<th>R/A/H</th>
<th>RR</th>
<th>RR/ H</th>
<th>VLD R</th>
<th>LD R</th>
<th>MD R</th>
<th>HD R</th>
<th>MH P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless Shelter</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>C</td>
<td>E</td>
</tr>
<tr>
<td>Locally Adaptive Farming</td>
<td>P1</td>
<td>P1</td>
<td>C</td>
<td>C</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>E</td>
</tr>
</tbody>
</table>

Agricultural employee housing allowed with up to 12 units or 36 persons, and/or up to 6 workers as a single-family use.

SECTION 7. The City Council hereby amends Section 17.28.030 of Chapter 17.28 - PARKING AND LOADING STANDARDS of the Banning Municipal Code as follows:

J. The number of required off-street parking spaces for affordable housing may be reduced in accordance with California Government Code Sec. 65915 et seq., as it may be amended from time to time.

SECTION 8. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in the Record Gazette, a newspaper published and circulated in the City. Thereupon, this Ordinance shall take effect thirty (30) days after the adoption and be in effect according to the law.

PASSED, APPROVED AND ADOPTED this 13th day of August, 2013.

Deborah Franklin, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning
CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Ordinance No. 1467 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 23rd day of July, 2013 and was duly adopted at a regular meeting of said City Council held on the 13th day of August, 2013, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California