



Town of Paradise Town Council Meeting Agenda 6:00 PM – August 12, 2025

Town of Paradise Council Chamber – 5555 Skyway, Paradise, CA

Mayor, Steve Crowder
Vice Mayor, Steve “Woody” Culleton
Council Member, Greg Bolin
Council Member, Heidi Lange
Council Member, Ronald Lassonde

Town Manager, Jim Goodwin
Town Attorney, Scott E. Huber
Town Clerk/Elections Official, Melanie Elvis
CDD, Planning & Onsite, Susan Hartman
CDD, Building & Code Enforcement, Tony Lindsey
Finance Director/Town Treasurer, Aimee Beleu
Public Works Director/Town Engineer, Marc Mattox
Division Chief, CAL FIRE/Paradise Fire, Jason Finney
Chief of Police, Eric Reinbold
Recovery & Economic Development Director, Colette Curtis
Human Resources & Risk Management Director, Crystal Peters
Information Systems Director, Luis Marquez

Meeting Procedures

- I. The Mayor is the Presiding Chair and is responsible for maintaining an orderly meeting. The Mayor calls the meeting to order and introduces each item on the agenda.
- II. The Town staff then provides a report to Council and answers questions from the Council.
- III. Citizens are encouraged to participate in the meeting process and are provided several opportunities to address Council. Any speaker addressing the Council is limited to three minutes per speaker - fifteen minutes per agenda item
 - A. If you wish to address the Council regarding a specific agenda item, please complete a “Request to Address Council” card and give it to the Town Clerk prior to the beginning of the meeting. This process is voluntary and allows for citizens to be called to the speaker podium in alphabetical order. Comments and questions from the public must be directed to the Presiding Chair and Town Council Members (please do not address staff.) Town staff is available to address citizen concerns Monday through Thursday at Town Hall between the hours of 8am and 5pm.
 - B. If you wish to address Council regarding an item not on the agenda, you may do so under Item 4, “Public Communication.” Again, please fill out a card and give it to the Town Clerk before the meeting. State Law prohibits Council action on items not listed on a public agenda.

In compliance with the Americans with Disabilities Act (ADA) Compliance, persons who need special accommodations to participate in the Town Council meeting may contact the Town Clerk at least three business days prior to the date of the meeting to provide time for any such accommodation.

1. OPENING

- 1a. Call to Order
- 1b. Pledge of Allegiance to the Flag of the United States of America
- 1c. Invocation
- 1d. Roll Call

- 1e. Presentations by The Paradise Ridge Chamber of Commerce, The Paradise Performing Arts Center, Theater on the Ridge, The Paradise Art Center, The Gold Nugget Museum, and the Paradise Symphony regarding the second year of the TOT Reinvestment Program. Each organization will present an expenditure overview summarizing how their allocation was spent over the last year, explaining the impact on tourism, and outlining their plans for next year's funding allocation. (**Introduction by Colette Curtis/Recovery & Economic Development Director**)

- 1f. p5 Camp Fire Recovery Updates - Written reports are included in the agenda packet.

Colette Curtis, Recovery and Economic Development Director - recovery projects, advocacy, economic recovery and development, communications, emergency operations and Housing updates.

Marc Mattox, Public Works Director/Town Engineer -infrastructure and sewer updates.

Tony Lindsey, CDD-Building and Code Enforcement- Code Enforcement update.

- 1g. p16 Paradise Sewer Project Update by Town Engineer Marc Mattox.

2. CONSENT CALENDAR

One roll call vote is taken for all items. Consent items are considered to be routine business that does not call for discussion.

- 2a. p17 Approve minutes of the July 8, 2025 Special and Regular Town Council meetings and the July 24, 2025 Special Town Council meeting. (**Melanie Elvis/Town Clerk**)

- 2b. p28 Approve July 2025 Cash Disbursements in the amount of \$11,067,596.13. (**Aimee Beleu/Finance Director**)

- 2c. p37 Adopt Resolution No. 2025-____ "A Resolution of the Town Council of the Town of Paradise Amending a Policy on Nondiscrimination in Programs Receiving Federal Assistance." (**Marc Mattox/Town Engineer**)

- 2d. p45 Adopt Resolution No. 2025-____, "A Resolution of the Town Council of the Town of Paradise Adopting the Program Guidelines for the HOME Investment Partnerships Programs Infill New Construction for First-Time Home Buyers". (**Colette Curtis/Recovery & Economic Development Director**)

- 2e. p88 Adopt Resolution No. 2025-____ “A resolution of the Town Council of the Town of Paradise amending and updating the HOME Investment Partnerships Program (HOME) First-Time Homebuyer Program Guidelines, previously adopted by resolution 2022-33.” (**Colette Curtis/Recovery & Economic Development Director**)

3. ITEMS REMOVED FROM CONSENT CALENDAR

4. PUBLIC COMMUNICATION

For matters that are not on the Council business agenda, speakers are allowed three (3) minutes to address the Council. The Town Council is prohibited from taking action on matters that are not listed on the public agenda. The Council may briefly respond for clarification and may refer the matter to the Town staff.

5. PUBLIC HEARINGS

For items that require a published legal notice and/or a mailed notice.

Public Hearing Procedure:

- A. Staff Report
- B. Mayor opens the hearing for public comment in the following order:
 - i. Ask Town Clerk if there are any cards submitted
 - ii. Ask if there is anyone else wishing to comment
- C. Mayor closes the hearing
- D. Council discussion and vote

- 5a. p126 1. Consider concurring with the project “CEQA determination” finding presented and considered by the Planning Commission on June 17, 2025, and embodied within Planning Commission Resolution No 2025-04; and, 2. Waive the first reading of the entire Town Ordinance No. ____ and read by title only; and, 3. Introduce Town Ordinance No. ____, “An Ordinance Amending Text Regulations within Paradise Municipal Code Title 17 of the Paradise Municipal Code Relative to the Agricultural Residential Zoning District; General Definitions; and the Animal Regulations”; or, 4. Provide alternative direction to town staff. (ROLL CALL VOTE) (**Susan Hartman/Community Development Director**)

6. COUNCIL CONSIDERATION

Action items are presented by staff and the vote of each Council Member must be announced. A roll call vote is taken for each item on the action calendar. Citizens are allowed three (3) minutes to comment on agenda items.

- 6a. p145 1. Consider concurring with Town staff’s recommendation for the Town of Paradise to award and execute a professional services agreement with PlaceWorks to prepare the update to Town of Paradise 1994 General Plan and subsequent Zoning Ordinance update; and, 2. Authorize the Town Attorney to draft an agreement for professional services to be executed between the Town of Paradise and PlaceWorks; and, 3. Authorize the Town Manager, on behalf of the Town of Paradise, to sign the awarded agreement for professional services with PlaceWorks with a not-to-exceed \$2.2M budget; or, 4. Adopt a motion to provide alternative direction to Town staff regarding this agenda item. (ROLL CALL VOTE) (**Susan Hartman/Community Development Director**)

- 6b. p147 Review critical information relating to the forecasted property acquisition needs associated with planned Capital Improvement Program Projects. (**Marc Mattox/Town Engineer**)
- 6c. p150 Hear a presentation and report on the Town-wide user fee update and provide direction to staff regarding the updated Town-wide fee structure for adoption at a future Town Council meeting. (**Aimee Belev/Finance Director**)
- 6d. p234 1. Provide staff with verbal concurrence and/or direction on the effective processes implemented on July 28, 2025; and, 2. Adopt Resolution No. 2025-___, "A Resolution of the Town Council of the Town of Paradise adopting a policy requiring subcontractor verification throughout the construction inspection process."; or, 3. Provide alternative directions for the Town staff. (**Tony Lindsey/Community Development Director**)
- 6e. p242 1. Consider approving the Second Amendment to the Employment Agreement Between the Town of Paradise and James Goodwin; or, 2. Provide alternative direction. (ROLL CALL VOTE) (**Scott E. Huber/Town Attorney**)

7. COUNCIL INITIATED ITEMS AND REPORTS

- 7a. Council initiated agenda items
- 7b. Council reports on committee representation
- 7c. Future Agenda Items

8. STAFF COMMUNICATION

- 8a. Town Manager Report
- 8b. Community Development Director

9. CLOSED SESSION - None

10. ADJOURNMENT

STATE OF CALIFORNIA) COUNTY OF BUTTE)	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	
<hr/>	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 1(f)

ORIGINATED BY: Colette Curtis, Recovery and Economic Development Director
REVIEWED BY: Jim Goodwin, Town Manager
SUBJECT: Monthly Recovery Update
LONG TERM RECOVERY PLAN: Yes

COUNCIL ACTION REQUESTED:

1. None

Background:

This report continues the Monthly Updates provided to keep the Town Council apprised of important developments related to the recovery of the Town of Paradise from the Camp Fire. Included in this update are items related to recovery projects, advocacy economic recovery and development, communications and emergency operations.

Analysis:

ECONOMIC DEVELOPMENT

CDBG-DR Economic Development

- The Town of Paradise submitted an application for a Workforce Training Center, located on the Paradise High School campus.
- The project is a partnership between the Town of Paradise, Butte College, PUSD, Valley Contractors Workforce Foundation, and NoRETC.
- The Standard Agreement is being routed for signature.

Healthcare

- The Town of Paradise and Adventist Health Feather River Foundation are working together to create a Strategic Healthcare Recovery Plan to assess current inventory, existing gaps, projections, and a strategic plan for filling the gaps.
- The Plan is expected to be ready by Summer 2025.

Utility Box Mural Program

- 6 Utility boxes were wrapped with local artwork on Thursday July 31st. The locations are:
 - Skyway/Neal (artist Libby Sofer)
 - Oliver (artist Emily Wycoff)
 - Pearson (artist Jenn Ponci)
 - Elliot (artist Patti Lloyd)
 - Maxwell (artist Shelley Miller)
 - Black Olive (artist Steve Ferchaud)

Downtown Strategy Phase 3

- Council approved moving forward on Phase 3 of the downtown strategy at the March 2025 meeting.
- The working group met on June 26th to begin work. Tasks include:
 - Virtual and in person visits to locations which have been successful in similar efforts
 - Inventory of properties within the target area
- The working group has already visited one example site, and has plans to visit several more at the end of August both in person and virtually.
- A public input process will begin next month at community events, an online survey, and a virtual open house.

RECOVERY

Community Development Block Grant Disaster Recovery Mitigation Planning Public Services (CDBG DR MIT PPS)

- HCD has awarded a grant to update the Long Term Community Recovery Plan.
- Once the Standard Agreement is signed, the Town will issue a request for proposals to complete a comprehensive update.

Office of Land Use and Climate Innovation Grant

- Town was awarded \$739,680 through the Extreme Heat and Community Resilience Program
- Funding will be used to create a Climate Resilience Plan which will identify prospective resiliency projects such as
 - Community Evacuation/Cooling/Heating Centers
 - Shade Tree Planting
 - Fuels Reduction Projects
 - Green space projects
- The Town is partnered with RCAC to do public outreach and complete the plan by December 2025
- Identified projects may be eligible for future implementation funds through the same grant source.
- The partnership agreement has been signed with partners RCAC, Paradise Recreation and Park District, and Campfire Collaborative.
- A Core Project team has been formed which includes the partners listed above in addition to Fire Safe Council, Cal Fire, Chico State, and local tribes.

Overall Hazard Mitigation Project Update

Years of efforts are complete on the pre-award work on all our projects. **All projects are fully approved and funded.**

Category 4 Tree Removal Program

- Project implementation is ongoing.
- As of August 1, approximately 6,000 of the 11,000+ trees have been removed.
- 7-10 different tree removal crews are working across town in effective and efficient partnership with property owners, local agencies, tribes, and contractors.

Early Warning System

- All 21 Towers are standing and operational.
- 21 of the 21 Towers are now fully complete.
- All active construction is complete.
- Infrastructure for the in-home units is in process and expect the first units to arrive and be distributed by the end of the calendar year.
- 800 regular units and 200 units for the hearing impaired are included in the original HMGP Grant for the Sirens, We are waiting on final quality control and engineering to make sure units are ready for residents to install.
- An additional 2,800 regular units and an additional 100 units for the hearing impaired have been applied for through CDBG DR MIT PPS and are currently awaiting final approval.

Residential Ignition Resistant Retrofit Program

- Project is fully funded and moving forward.
- 50 of the 98 properties been approved to move forward to construction. Notice to proceed letters are being issued to these properties as soon as property owner is ready to move into construction.
- 47 additional properties cleared review and are expected to begin having Notice to Proceed letters issued by the 2nd week of August.
- 26 Properties have selected their contractors and have had their "Notice to Proceed" Letters issued.
- 15 Properties have been fully completed.

Hazardous Fuels Reduction Program

- Project is fully funded and moving forward.
- Town staff are working with involved monitoring tribes on a plan and timeline for implementation.
- Town staff are working on revising the scope of work to move forward with the project.

Defensible Space Code Enforcement

- The Defensible Space Code Enforcement project was fully approved and obligated in November 2023 by FEMA and CalOES.
- Town Council approved implementation plan in January 2024.
- Grant funded staff have been hired and are in place and working in the community.
- In May a Notice of Intent was submitted to Cal OES to request an additional 3 years of funding for this program.
- In August additional grant funds are being investigated to assist property owners with yearly defensible space compliance costs. If approved, grant sources would be targeted to low-moderate income elderly and disabled property owners.

EMERGENCY MANAGEMENT

- A staff EOC training exercise was held in July 2025.
- The training began integrating VEOCI, the County-wide virtual EOC software, into Town EOC operations.

Financial Impact:

None.



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 1(f)

ORIGINATED BY: Sarah Richter, Housing Program Coordinator
REVIEWED BY: James Goodwin, Town Manager
SUBJECT: Housing Recovery Update
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

None

Background:

This report provides the Town Council with an update of Housing activities.

Analysis:

We have 40.38% of our pre-disaster housing stock to-date (1,720 surviving units + 3,516 new CofOs to-date = 5,287 habitable dwellings / 13,091 housing units before the Camp Fire). Our total number of habitable dwellings does not include the number of mobile homes replaced in mobile home parks because those permits are issued by HCD instead of the Building Dept., but mobile homes in parks are included in the total number of pre-fire housing units. An estimate from tax data shows 144 mobile homes in parks, or 5,431 housing units in Paradise.

Town of Paradise Owner-Occupied Rehabilitation/Reconstruction Program (\$12.5 million)

This program helps homeowners rehabilitate or reconstruct their home. The CalHome-Disaster Assistance grant expires at the end of 2025. New applications to rebuild homes lost in the Camp Fire are no longer being accepted because it's not feasible to complete a project before the expiration of the grant. Applications for essential home repairs on existing homes will continue to be accepted, funds for this activity are limited but do not have an expiration deadline.

- 66 homes completed
- 7 homes in construction
- 4 applications in process

Town of Paradise First-Time Homebuyer Program (\$11 million)

Helping to make homeownership more affordable. These are also CalHome-Disaster Assistance funds that have an end of 2025 expenditure deadline. The program will continue after the end of the year using other funding sources, but will be limited to assisting households under 80% AML.

- 76 households assisted
- 21 applications in process

CDBG-DR Multifamily Rental Housing Program (\$84.7 million)

Affordable rental housing. Seven (7) projects are eligible for funding; a total of 292 units.

- CHIP project- scattered site (4 units)

- leased up in Spring of 2024
- **Eaglepointe-** 5975 Maxwell Dr (43 units)
 - All units are now leased as of end of May 2025. A ribbon cutting ceremony is being planned for August 6th, 2025.
- **Mayer Commons-** 1561 Kay Ct (12 units)
 - **Tenant Certificate of Occupancy was issued August 1, 2025.** Interested applicants should contact the Housing Authority or RSC Associates, Property Management Co.
- **Northwind Senior-** 6983 Pentz Rd (21 units)
 - **Accepting applications.** Interested applicants should inquire with the Housing Authority.
- **Cypress Family-** 1633 Cypress Ln (70 units)
 - Scheduled to be completed in November of 2025, applications are now being accepted. Interested applicants should contact CHIP (see flyer attached).
- **Clark Rd-** 6480 Clark Rd (72 units)
 - The project was recommended by CA TCAC to received 4% Tax Credit Bond allocation. Working on packaging all legal documents and planning to start construction in fall of this year.
- **Cypress Senior (phase II)-** 1633 Cypress Ln (70 units)
 - The project was recommended by CA TCAC to receive 9% Tax Credits for the remaining funding. Working on packaging all legal documents and planning to start construction in fall of this year.

CDBG (2024 Annual Allocation=\$52,474; unspent funds=\$90,410.48)

CDBG entitlement grants are on a 5-year plan cycle called the Consolidated Plan, and this year is the 5th year in the current plan. The final draft was submitted to HUD in July and is currently under review. **The Town received an “untimely” designation due to an accumulation of funds greater than 1.5x the current year grant allocation.** Unspent funds are intended to be spent to support the HOME Infill program, noted below.

HOME Infill New Construction (\$700,000)

Create affordable housing for first-time homebuyers. The grant award letter was finally received from HCD in April of 2025. **Program guidelines are complete and ready for adoption by Council at this meeting.**

Permanent Local Housing Allocation (PLHA) (\$399,166)

Allocates matching funds to North Valley Housing Trust to administer for affordable housing projects.

- A predevelopment loan of \$400,000 has been made for the Cape Cod multi-family project (\$200,000 of PLHA funds) Cape Cod has applied for tax credits- the last piece of funding needed to start construction.
- \$75,000 of PLHA funds was loaned to build a small, single-family home, which was finished and sold to a low-income Camp Fire survivor. Housing staff is discussing repeating this success with the North Valley Housing Trust.

Financial Impact:

None.



TOWN OF PARADISE
Council Agenda Summary
Date: August 12, 2025

Agenda No. 1(f)

ORIGINATED BY: Marc Mattox, Public Works Director / Town Engineer

REVIEWED BY: Jim Goodwin, Town Manager

SUBJECT: Camp Fire Recovery Updates - Infrastructure

COUNCIL ACTION REQUESTED:

1. None, written monthly update only.

Background:

This report continues the Monthly Disaster Recovery Updates provided to keep the Town Council apprised of important developments related to the recovery of the Town of Paradise from the Camp Fire. Changes from the prior month's reports are shown in red underline italics.

Analysis:

Road Rehabilitation

The Town of Paradise is endeavoring to pave every public road mile by the end of 2026. These projects are funded through Camp Fire Recovery Projects and are sequenced behind undergrounding of utilities and water service later replacements.

As of June 2025, the following paving progress can be reported:

<u>Status</u>	<u>Miles</u>
<i><u>Completed</u></i>	<i><u>46.56</u></i>
<i><u>Awarded/In-Progress</u></i>	<i><u>27.86</u></i>
<i><u>Planned 2026</u></i>	<i><u>15.30</u></i>
<i><u>Planned Future</u></i>	<i><u>6.48</u></i>
<i><u>Total</u></i>	<i><u>96.19</u></i>

Paradise Town Council has awarded three contracts for 2025 paving efforts, listed below with brief updates:

- Clark Road (Pearson to Wagstaff) – Knife River Construction
 - o Preparation work is well underway with ADA ramps being constructed and utility verification and adjustments. Knife River is expected to start significant work during nighttime hours over the months of August and September. Impacts to the traveling public will be reduced due to the night work, but residents and businesses will expect varying roadway conditions and work zones.

- On-System Road Rehabilitation – All American Asphalt
 - o All American Asphalt has commenced work along Pearson Road between Clark Road and Skyway. This expedited effort aims to keep impacts to the area businesses to a minimum while completing work in advance of area schools starting the new academic year.
- Off-System Road Rehabilitation – DeSilva Gates Construction
 - o Work is proceeding with construction and is primarily focusing on roadways in the south end of Paradise. DeSilva Gates has outpaced schedule forecasts and is well positioned to complete all work this fall.

A map of all paving efforts completed and planned can be found on the Town's website at www.townofparadise.com by visiting "News and Announcements" from the homepage.

Capital Project Updates

The Public Works Department, in an effort to provide additional communications on various projects, has launched a new website under its ParadiseWORKS banner. ParadiseWORKS Engineering Resiliency now hosts individual project pages for current information, project descriptions and schedules. The website can be viewed here:

<https://www.townofparadise.com/pwe/page/paradiseworks-engineering-resiliency>

Below is an abbreviated Project List intended to show the current status of each project. More information on each project's scope and schedule can be found at. Typical project progressions and timeframes are as follows:

- (1) Environmental, 6-24 months
- (2) Design, 12 months
- (3) Right of Way, 6-12 months
- (4) Construction, 6-24 months

Project ID	Project Title	Project Phase	Anticipated Construction Completion Year
7303	On-System Road Rehabilitation	Construction	2026
7307	Neal Road Rehabilitation	Design	2028
8404	Camp Fire Hydrant Repairs	Design	2025
8407	Off-System Road Rehabilitation	Construction	2026
9389	Pentz Pathway Project Phase II	Design	2028
9390	Paradise ATP Gateway Project (Neal Road Class I)	Environmental	2028
9391	Oliver Curve Pathway Phase I	Design	2028
9394	Paradise Sewer Project	Design	-
9424	Skyway Link ATP (Bille to Wagstaff)	Environmental	2027
9425	Upper Skyway Widening (Bille to Wagstaff)	Environmental	2027
9426	Skyway/Pentz Intersection Improvements	Environmental	2028
9427	Pentz Road Widening	Environmental	2028

9428	Roe Road Phase 1 (Pentz to S. Libby)	Environmental	2028
9430	Pearson-Hilltop Guard Rail	Design	2026
9433	Animal Shelter Expansion	Construction	2025
9434	Roe Road Phase 2 (S. Libby to Clark)	Environmental	2028
9437	Evacuation Route CMS	Environmental	2028
9438	Private Road Identification Safety Project	Environmental	2028
9439	Storm Drain Resiliency Project Phase 1	Environmental	2028

Funding Pursuits

Below is a listing of active funding pursuits related to infrastructure recovery and status updates:

Program	Project Title	Amount Requested	Anticipated Award Notification	Notes
BUILD 2025	Roe Road Extension Phase 2 Project	\$25M	<u>Completed</u>	<u>Project was not selected for BUILD 2025 funds.</u>
US Army Corps of Engineers	Paradise Sewer Project	\$2,000,000 of \$50,000,000 authorization	TBD	Section 219 Program requires significant approvals and appropriations. Town has submitted Letter of Interest.
State Water Board Septic to Sewer CWSRF	Paradise Sewer Project	\$27,000,000	TBD	Pending Town revised application after local treatment option selected



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 1(f)

ORIGINATED BY: Tony Lindsey, Community Development Director,
Building & Code Enforcement
REVIEWED BY: Jim Goodwin, Town Manager
SUBJECT: Camp Fire Recovery Updates – Code Enforcement
LONG-TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

None

Background:

The Code Enforcement Division is committed to fostering a safe, attractive living and working environment. We aim to maintain and enhance our community's quality by fairly and impartially enforcing municipal codes and land-use regulations. We work in collaboration with residents, neighborhood associations, public service agencies, and other Town departments to achieve the following goals:

- Encourage voluntary compliance with Town codes.
- Promptly and fairly identify and address violations.
- Foster collaborative efforts to resolve community issues.
- Actively engage with the community to facilitate understanding of the code enforcement process.

Analysis:

RV Code Enforcement activity. Parcels with RV violations. (Exhibit A):

	July	June
Occupied/Unoccupied RVs	33 (16 Expired Urgency Ordinance sites: 13 Occupied and 3 Unoccupied. 4 Working with Housing)	34 (21 Expired Urgency Ordinance sites: 20 Occupied and 1 Unoccupied. 4 Working with Housing)
Compliance gained/RV cases closed	9	10

Fire Prevention is essential for ensuring the safety of our community and supporting its economic growth. It centers around three main goals: Education, Engineering, and Enforcement. Our ordinance on defensible space and hazardous fuel management requires all property owners to maintain fire-safe conditions, regardless of residency. Our dedicated Fire Prevention team conducts weed abatement inspections on 11,198 parcels across the community to ensure compliance and minimize fire hazards.

Escrow defensible space inspections	July	June
• Clearance requests received	97	105
• Certificates issued	91	88
• Land Surveyor's Certifications	45	38
• First inspection compliance rate	82%	84%
Weed abatement inspections		
• Compliant Parcels	9,600 – 85%	8,329 – 74%
• Active Code cases	1,026	550
• Commercial parcels	48	19
• Residential parcels	978	531

Other Code Enforcement Items:

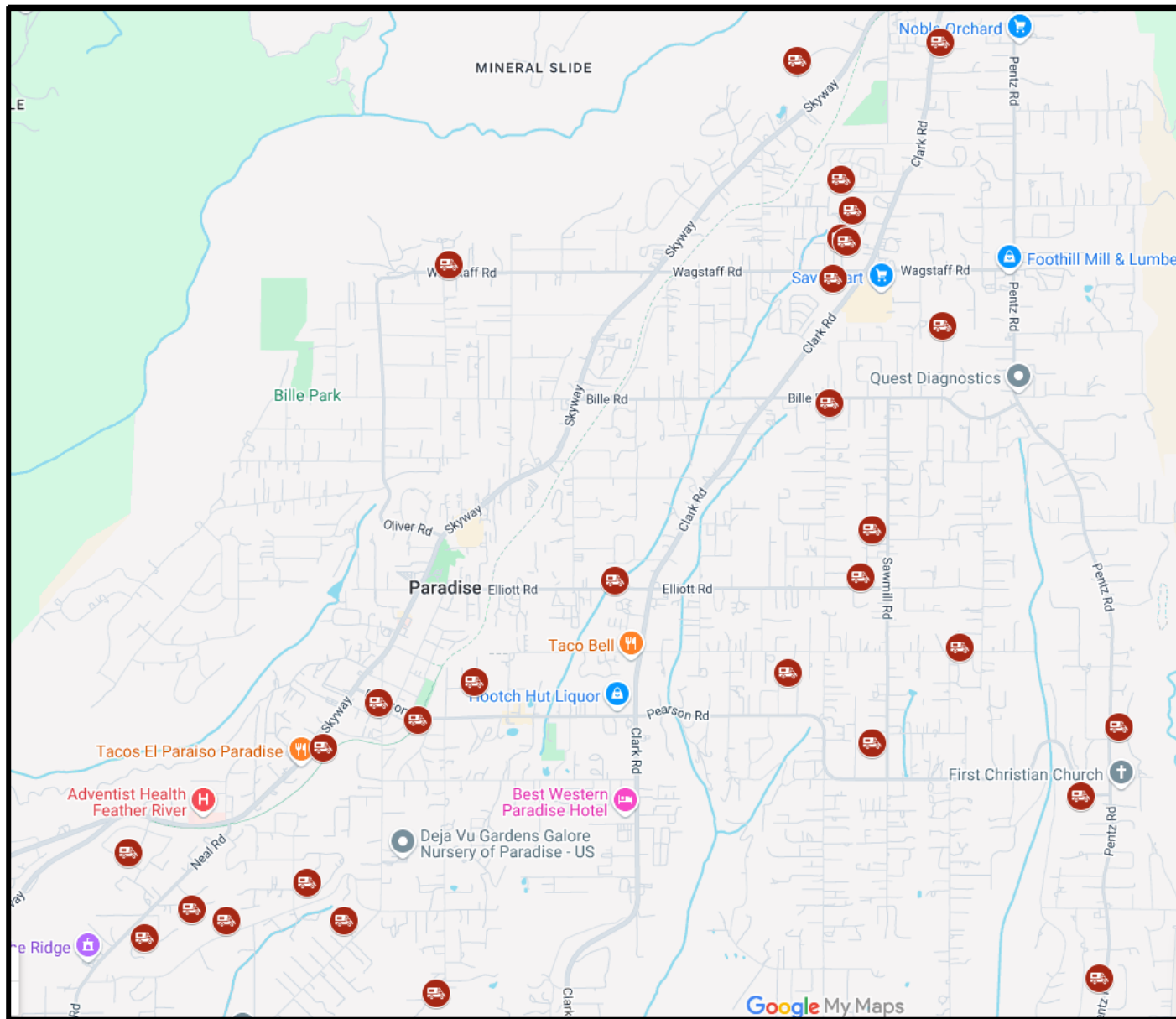
Abandoned Vehicle Authority	July	June
• Vehicle Tows	6	3

Site Inspections for Unlicensed Contracting:

The Town has implemented joint Code Enforcement and Police Department visits to active construction sites to identify unlicensed activity. All personnel must have contractor licenses and proof of applicable insurance available on-site to avoid enforcement actions, including stop work orders, permit revocation, or criminal prosecution.

	July	
• Sites visited	27	
• Stop Work Orders	2	

TUP Violations 8/1/2025



RV Violations **33**



**TOWN OF PARADISE
Council Agenda Summary
Date: August 12, 2025**

Agenda No. 1(g)

ORIGINATED BY: Marc Mattox, Public Works Director / Town Engineer

REVIEWED BY: Jim Goodwin, Town Manager

SUBJECT: Paradise Sewer Project Update

COUNCIL ACTION REQUESTED:

1. None, written monthly update only.

Background:

This report is a monthly effort to provide additional opportunity for public engagement on the status and next steps of the Paradise Sewer Project.

Analysis:

Town staff and its consulting teams in conjunction with Town Council, DFA, SWRCB, and HCD continue the analysis of a reduced Sewer Service Area with a localized solution for wastewater treatment. The project's objectives remain unchanged—providing a sustainable wastewater solution for the Paradise community.

Main Accomplishments

- Performed a sewer collection system site walk to gather information for refining the reduced Sewer Service Area.
- Toured City of Biggs municipal wastewater treatment and management facility to gain an understanding of their system and solicit feedback on their system.
- Completed the evaluation of the whole-project alternatives including cost estimates and system sizing.
- Confirmed a formal recommendation from the Ad Hoc Committee on a preferred alternative based on the whole-project analyses.
- Supported preparation for and participated in a Special Town Council Meeting on July 24th to present the Ad Hoc Committee recommendation to the public. A recording of the presentation, as well as all meeting materials, can be viewed at www.paradiseseWER.com.
- Continued support for finding and evaluating all project funding options.

Key Activities (One Month Look-Ahead)

- Participate in Town resident meetings as requested to discuss Ad Hoc Committee recommendations
- Hold a Special Town Council Meeting on August 14th for Town Council to vote on Ad Hoc Committee project recommendation. This meeting will be held at 777 Nunneley Road at 6pm.
- Begin environmental permitting, Subsequent Environmental Impact Report (SEIR), following project approval by Town Council



**MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 4:30 PM – July 8, 2025**

1. OPENING

The Special meeting of the Paradise Town Council was called to order by Mayor Crowder at 4:30 p.m. in the Council Chambers located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Greg Bolin, Steve “Woody” Culleton, Heidi Lange, Ronald Lassonde and Steve Crowder, Mayor.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Town Manager Jim Goodwin, Town Clerk Melanie Elvis, Public Works Director/Town Engineer Marc Mattox and Information Systems Director Luis Marquez.

At 4:31 p.m. Mayor Crowder announced that the Town Council would adjourn to Closed Session for the following items:

2. CLOSED SESSION

- 2a. REAL PROPERTY. Pursuant to Gov. Code section 54956.8 the Council will meet with Real Property Negotiators, Town Manager and Town Attorney, regarding the following properties: APN 052-290-043-000. Negotiator for potential lessee: Dan Efseaff.
- 2b. REAL PROPERTY. Pursuant to Gov. Code section 54956.8 the Council will meet with Real Property Negotiators, Town Manager and Town Attorney, regarding the following properties: APN 050-052-078, 054-220-005, 054-210-085, 050-082-104, 053-260-097, 054-220-010, 054-220-006, 054-220-007, 053-272-088, 050-052-052, 050-052-073, 054-210-103, 050-052-035, 050-052-065, 050-171-034, 054-220-077, 050-140-171, 050-052-095, 050-052-083, 054-210-058, 050-052-063, 054-210-026. The negotiators for the property owner(s) are unknown at this time.
- 2c. Pursuant to Government Code Section 54957.6, the Town Council will hold a closed session to meet with the Town Manager and Town Attorney regarding the terms of employment related to the following position: Town Manager.

After reconvening from Closed Session at 6:00 p.m., Mayor Crowder announced:

Items 2a-2c: direction given no reportable action taken.

3. ADJOURNMENT

Mayor Crowder adjourned the Council meeting at 6:00 p.m.

Date approved:

By:

Attest:

Steve Crowder, Mayor

Melanie Elvis, Town Clerk



TOWN COUNCIL Meeting Minutes

6:00 PM – July 08, 2025

1. OPENING

The Regular meeting of the Paradise Town Council was called to order by Mayor Crowder at 6:01 p.m. in the Town Council Chamber located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America. An invocation was offered by Council Member Lassonde.

COUNCIL MEMBERS PRESENT: Greg Bolin, Steve “Woody” Culleton, Heidi Lange, Ronald Lassonde and Steve Crowder, Mayor

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Town Manager Jim Goodwin, Town Attorney Scott E. Huber, Town Clerk/Elections Official Melanie Elvis, Community Development Director Susan Hartman, Community Development Director Tony Lindsey, Public Works Director/Town Engineer Marc Mattox, Recovery and Economic Development Director Colette Curtis, Finance Director Aimee Beleu, Police Chief Eric Reinbold, Fire Chief Jason Finney, and Information Systems Director Luis Marquez.

Mayor Crowder announced that item 7a2: Discuss more effective and efficient ways of communication between contractors, citizens and public works, would be removed from the agenda and a similar item would be placed on the August agenda.

1a. Paradise Arts, Theater, & Culture Hub (PATCH) Administrative Director Nicole LaJueness provided an update on PATCH’s goals and recent activities. (1020-15-003)

1b. Camp Fire Recovery Updates - Written reports are included in the agenda packet. (110-10-061)

Colette Curtis, Recovery and Economic Development Director - recovery projects, advocacy, economic recovery and development, communications, emergency operations and Housing updates.

Marc Mattox, Public Works Director/Town Engineer -infrastructure and sewer updates.

Tony Lindsey, CDD-Building and Code Enforcement- Code Enforcement update.

1c. Town Engineer Marc Mattox provided an update on the Paradise Sewer Project. (960-70-007)

1. Cliff Jacobson “cleared up” misconceptions about PG&E and recycled water costs and trenching.
2. Al McGreehan provided a draft of Paradise Citizen’s Alliance independent research on wastewater alternatives.
3. Mark Thorpe, a representative from Paradise Ridge Chamber of Commerce advocated for the largest sewer service area possible, with the least amount of disruption to business owners.
4. Aubrey Pruis, a representative from the Paradise Association of Realtors, advocated for the largest sewer service area possible, with the least amount of disruption to business owners.

2. CONSENT CALENDAR

MOTION by Bolin, seconded by Lange, approved consent calendar items 2a through 2i. Roll call vote was unanimous.

- 2a. Approved the minutes of the June 10, 2025 Regular Town Council Meeting and the June 25, 2025 Special Town Council Meeting.
- 2b. Approved June 2025 Cash Disbursements in the amount of \$4,232,673.92. (310-10-035)
- 2c. 1. Waived second reading of the entire Town Ordinance No. 647 and read by title only; and, 2. Adopted Town Ordinance No. 647, "An Ordinance of the Town Council of the Town of Paradise Amending Title 15 adding Chapter 15.09.101 Broadcast Burning Requirements." (540-16-216, 440-05-027)
- 2d. 1. Adopted Resolution No. 2025-49, "A Resolution of the Town Council of the Town of Paradise approving a memorandum of understanding between the Town of Paradise and the Butte County Resource Conservation District for the provision of consulting services related to broadcast burns". (510-10-484)
- 2e. Adopted Resolution No. 2025-50, "A Resolution of the Town Council of the Town of Paradise confirming the costs of vegetation abatement and authorizing the recording of liens and special assessments". (540-15-078)
- 2f. 1. Declared equipment as surplus property; and, 2. Adopted Resolution No. 2025-51, "A Resolution of the Town Council of the Town of Paradise, Declaring Certain Town Equipment to be Surplus and Obsolete and Authorizing Disposal by the Town Manager or His Designee." (380-10-003)
- 2g. 1. Adopted Resolution No. 2025-52, "A Resolution of the Town Council of the Town of Paradise certifying to the County of Butte the validity of the legal process used to place direct charges (special assessments) on the secured tax roll"; and, 2. Authorized the Town Manager and Finance Director to approve direct charge (special assessment) changes; and, 3. Authorized the Town Manager and Finance Director to execute the governing authority certification related to the direct assessments on the property tax roll. (550-40-051, 510-20-107, 540-10-020)

- 2h. Authorized the Town Manager to sign the Letter of Agreement with PATCH to show concurrence with the Town's vision for the walkable downtown, and to enable PATCH to apply for grants through the California Cultural Districts Program. (510-20-485, 1020-15-003)
- 2i. Adopted Resolution No. 2025-53, "A Resolution of the Town Council of the Town of Paradise Adopting Administrative Policy No. 495, Establishing an Electronic Signature Use Policy for Select Town Documents". (110-10-032)

3. ITEMS REMOVED FROM CONSENT CALENDAR - None

4. PUBLIC COMMUNICATION - None

5. PUBLIC HEARINGS

- 5a. Recovery and Economic Development Director Colette Curtis presented the proposed resolution approving a Plan of Finance of the California Municipal Authority to Issue and reissue revenue bonds for a qualified residential rental project for the benefit of Kingdom Development.

Mayor Crowder opened the public hearing at 6:42 p.m.

There were no public comments.

Mayor Crowder closed the public hearing at 6:42 p.m.

MOTION by Bolin, seconded by Culleton, adopted Resolution No. 2025-54 "A Resolution of the Town Council of the Town of Paradise Approving a Plan of Finance of the California Municipal Authority to Issue and Reissue Revenue Bonds for a Qualified Residential Rental Project for the Benefit of Kingdom Development, Inc., or an Affiliate Thereof, and Certain Other Matters Relating Thereto." Roll call vote was unanimous. (510-20-474)

6. COUNCIL CONSIDERATION

- 6a. Town Clerk Melanie Elvis presented the Measure V Citizen Oversight Committee interview panel decision to appoint Autumn Field to the Oversight Committee.

MOTION by Lange, seconded by Lassonde, concurred with the recommendation of the Measure V Citizen Oversight Committee interview panel to appoint Autumn Field to the Oversight Committee, effective immediately. Roll call vote was unanimous. (395-70-019)

- 6b. Finance Director Aimee Bealeu presented the proposed 2025/2026 Fiscal Year Budget and related resolutions.

MOTION by Culleton, seconded by Lassonde, adopted the following resolutions.

1. Resolution No. 2025-55 “A Resolution of the Town Council of the Town of Paradise Adopting the Final Budget for the Town of Paradise Including all Attachments, Appendices, and other related Documents for the 2025-2026 Fiscal Year ending June 30, 2025.” (340-40-017)
2. Resolution No. 2025-56, “A Resolution of the Town Council of the Town of Paradise Approving and Adopting the Annual Appropriation Limit for Fiscal Year 2025-2026.” (340-40-017)
3. Resolution No. 2025-57, “A Resolution of the Town Council of the Town of Paradise Amending the General Fund Reserves for Fiscal Year 2025-2026.” (340-40-017)
4. Resolution No. 2025-58, “A Resolution of the Town Council of the Town of Paradise approving and Adopting the Town of Paradise Capital Improvement Plan (CIP) and Disaster Recovery Plan for the 2025-2026 Fiscal Year.” (340-40-017, 950-40-034)
5. Resolution No. 2025-59, “A Resolution of the Town Council of the Town of Paradise Approving the New Job Classification Descriptions.” (340-40-017, 610-10-020, 610-10-015)
6. Resolution No. 2025-60, “A Resolution of the Town Council of the Town of Paradise, California Adopting the Salary Pay Plan for Town of Paradise Employees for the Fiscal Year 2025-2026” with a correction to the calculations for the Administrative Assistant positions for Police, CDD, Public Works and Recovery. Roll call vote was unanimous. (340-40-017, 610-10-020, 610-10-018)

7. COUNCIL INITIATED ITEMS AND REPORTS

7a. Council initiated agenda items:

- 7a1. Community Development Director Tony Lindsey presented potential improvements to policies, procedures, and public education strategies designed to better protect future homebuyers from construction deficiencies associated with owner-builders and licensed contractors.
 1. Autumn Field shared concerns about contractors who operate on short-term LLC's and cause neighborhood disruptions, dust and trash.
 2. J.T. Martin advocated for an audit of the building department and shared challenges he's encountered with owner-builders.
 3. Aubrey Pruis, a representative from the Paradise Association of Realtors shared he plans to hold educational trainings with local realtors making them accountable for informing buyers of known problems.

The Council provided direction to enact the proposed strategies, including permit transparency, final inspection enhancements, providing sub-contractor list, education and outreach, conduct spontaneous inspections, and draft a building code amendment to require a 3rd party home inspection.

7a2. REMOVED FROM THE AGENDA BY MAYOR CROWDER.

7a3. Council provided direction to staff to adjourn the Regular November 11, 2025 Town Council Meeting to Wednesday, November 12, 2025 at 6:00p.m. due to the Veteran's Day holiday conflict.

7b. Council reports on committee representation:

Council Member Bolin attended the solid waste committee meeting and shared that NRWS will present on new composting requirements at a future meeting.

Council Member Lange attended the Roe Road Community Meeting; Party in the Park; the Elk's Lodge car show; presented a recognition to Jim Williams for his 100th birthday; attended multiple Sewer Ad Hoc committee meetings; and attended the Pondarosa Elementary groundbreaking.

Council Member Lassonde attended Party in the Park; the Roe Road Community Meeting; and a Gold Nugget Museum fundraiser.

Vice Mayor Culleton attended the Pondarosa Elementary groundbreaking and solid waste committee meeting.

Mayor Crowder attended three Sewer Ad Hoc committee meetings; participated in a Zoom meeting with Altadena; attended the BRC's debut of the Town's new permitting software, GovWell; attended Party in the Park; and the quarterly TOP/PRPD Liaison Committee meeting.

7c. Future Agenda Items

1. Discuss raising the number of chickens allowed in town from 2 to 12 (CROWDER)

8. STAFF COMMUNICATION - None

9. CLOSED SESSION - None

10. ADJOURNMENT

Mayor Crowder adjourned the meeting at 8:13 p.m.

Date approved:

By:

Attest:

Steve Crowder, Mayor

Melanie Elvis, Town Clerk



**MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 6:00 PM – July 24, 2025**

1. OPENING

The Special meeting of the Paradise Town Council was called to order by Mayor Crowder at 6:00 p.m. at the Paradise Performing Arts Center located at 777 Nunneley Road, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Greg Bolin, Steve “Woody” Culleton, Heidi Lange, Ronald Lassonde and Steve Crowder, Mayor.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Town Manager Jim Goodwin, Town Clerk Melanie Elvis, Public Works Director/Town Engineer Marc Mattox and Information Systems Technician Travis Thompson.

2. CONSENT CALENDAR

MOTION by Bolin, seconded by Culleton, approved consent calendar items 2a and 2b. Roll call vote was unanimous.

- 2a. 1. Adopted Resolution No. 2025-61, “A Resolution of the Town Council of the Town of Paradise Repealing Resolution No. 2025-50 and Adopting a Resolution Confirming the Costs of Vegetation Abatement and Authorizing the Liens on the Secured Tax Roll”; and, 2. Authorized the Town Manager and Finance Director to approve direct charge (special assessment) changes; and, 3. Authorized the Town Manager and Finance Director to execute the governing authority certification related to the direct assessments on the property tax roll. (540-15-078)
- 2b. 1. Adopted Resolution No. 2025-62, “A Resolution of the Town Council of the Town of Paradise Repealing Resolution No. 2025-52 and Adopt a Resolution Certifying to the County of Butte the Validity of the Legal Process Used to Place Direct Assessments (Special Assessments) on the Secured Tax Roll”; and, 2. Authorized the Town Manager and Finance Director to approve direct charge (special assessment) changes; and, 3. Authorized the Town Manager and Finance Director to execute the governing authority certification related to the direct assessments on the property tax roll. (550-40-051, 510-20-107, 540-10-020)

3. COUNCIL CONSIDERATION

- 3a. Town Engineer Marc Mattox and HDR Principal Engineer Allison McReynolds presented the history of the Paradise Sewer Project, and the summary of alternatives in collection, treatment and disposal systems.

Paradise Irrigation District Manager Kevin Phillips was introduced as a member of the Ad Hoc Committee and commented on how important collaboration between PID and the Town will be in the success of this project.

Council Member Lange and Mayor Crowder commented on the process of how the three alternatives were reached including stakeholder input, community and vendor presentations as well as site visits to several cities and wastewater plants.

HDR Principal Engineer Allison McReynolds presented a summary of alternatives and provided an overview of potential challenges and cost estimates.

Staff recommended Alternative 1 for Phase 1 of the project which would include a hybrid gravity/STEP system for collection, an aerated lagoon for the treatment process, and a land – perc/evap pond for the discharge strategy. (960-70-009)

1. Kelly Konzelman was concerned about the numbers, shortfall on funding and asked how long it would be before the Town would see a return on investment.
2. Bill Hartley spoke in favor of the STEP system.
3. Cliff Jacobson spoke in favor of the STEP system.
4. Bill Kellog spoke in favor of Alternative 1.
5. Teri Dubois spoke in favor of Alternative 1 and recommended the Town work with Congressman LaMalfa for an agricultural grant rather than the Army Corp of Engineers.
6. Jon Remalia spoke in favor of the STEP system.
7. John Stonebraker suggested the Town form a JPA with PID for the operations & maintenance of the future project and thought it was too expensive for such a small sewer service area.
8. Susan Davis thought the item was presented well and that the sewer project is a must.
9. Bill Sharratt asked if the cost estimate accounted for the rising cost of construction.

Marc Mattox clarified that the cost was estimated to the midpoint of construction as is industry standard.

10. Liza Whitmore worried about costs and asked if the sewer project required a vote of the people or only of the Council.

It was clarified that Council would be able to take action and the Paradise Sewer Project would not be on the ballot.

11. Paul asked where the treatment site would be located.

It was clarified that it had yet to be determined and would depend on Council's direction and the Environmental Impact Report.

4. ADJOURNMENT

Mayor Crowder adjourned the Council meeting at 8:15 p.m.

Date approved:

By:

Attest:

Steve Crowder, Mayor

Melanie Elvis, Town Clerk

TOWN OF PARADISE

CASH DISBURSEMENTS REPORT

FOR THE PERIOD OF
July 1, 2025 - July 31, 2025



CASH DISBURSEMENTS REPORT
July 1, 2025 - July 31, 2025

Check Date	Pay Period End	Description	Amount	Total
7/3/2025	6/29/2025	Net Payroll - Direct Deposits and Checks	\$ 294,258.56	
7/18/2025	7/13/2025	Net Payroll - Direct Deposits and Checks	<u>\$ 285,187.39</u>	\$ 579,445.95

Accounts Payable

Payroll Vendors: Taxes, PERS, Dues, Insurance, Etc.	3,382,841.74	
Operations Vendors: Supplies, Contracts, Utilities, Etc.	<u>\$7,105,308.44</u>	
TOTAL CASH DISBURSEMENTS ACCOUNTS PAYABLE		<u>10,488,150.18</u>
GRAND TOTAL CASH DISBURSEMENTS		<u><u>\$ 11,067,596.13</u></u>

APPROVED BY: _____
Aimee Belev - Finance Director/Town Treasurer

APPROVED BY: _____
Jim Goodwin - Town Manager

TOWN OF PARADISE

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
AP TCB - General Checking									
<u>Check</u>									
89535	07/08/2025	Open			Accounts Payable	ICMA 457 - MissionSquare	\$3,305.59		
89536	07/08/2025	Open			Accounts Payable	STATE DISBURSEMENT UNIT	\$656.29		
89537	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$2,175.00		
89538	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$2,250.00		
89539	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$4,700.00		
89540	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$5,705.00		
89541	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$13,897.50		
89542	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$14,062.50		
89543	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$3,063.75		
89544	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$2,292.50		
89545	07/09/2025	Open			Accounts Payable	Adams Ashby Group, Inc.	\$15,862.50		
89546	07/09/2025	Open			Accounts Payable	ADVANCED DOCUMENT CONCEPTS	\$0.10		
89547	07/09/2025	Open			Accounts Payable	ALL STAR TOWING	\$914.50		
89548	07/09/2025	Open			Accounts Payable	Alvies, Sheris	\$215.00		
89549	07/09/2025	Open			Accounts Payable	American Dream Construction, Inc.	\$49,000.00		
89550	07/09/2025	Open			Accounts Payable	ANIMAL HOSPITAL/VETMOBILE	\$158.00		
89551	07/09/2025	Open			Accounts Payable	Asbury Environmental Services	\$8.00		
89552	07/09/2025	Open			Accounts Payable	AT&T/CALNET3 - REPEATER LINES	\$196.86		
89553	07/09/2025	Open			Accounts Payable	AT&T/CALNET3 - Summary	\$3,533.08		
89554	07/09/2025	Open			Accounts Payable	AT&T/CALNET3 - Summary	\$29.84		
89555	07/09/2025	Open			Accounts Payable	AT&T/CALNET3 - TH/FDPD FIBER LINES	\$1,057.74		
89556	07/09/2025	Open			Accounts Payable	Azco Supply Inc	\$139.96		
89557	07/09/2025	Open			Accounts Payable	Baccala, Lauren	\$380.00		
89558	07/09/2025	Open			Accounts Payable	Bear Electrical Systems, Inc	\$2,160.00		
89559	07/09/2025	Open			Accounts Payable	BINTF	\$12,500.00		
89560	07/09/2025	Open			Accounts Payable	Biometrics4ALL, Inc	\$21.00		
89561	07/09/2025	Open			Accounts Payable	Bug Smart	\$116.00		
89562	07/09/2025	Open			Accounts Payable	Bureau Veritas North America, Inc	\$17,572.50		
89563	07/09/2025	Open			Accounts Payable	Business Radio Licensing	\$125.00		
89564	07/09/2025	Open			Accounts Payable	CALIFORNIA BUILDING STANDARDS COMMISSION	\$815.40		
89565	07/09/2025	Open			Accounts Payable	CALIFORNIA POLICE CHIEFS ASSOCIATION	\$508.00		
89566	07/09/2025	Open			Accounts Payable	CALIFORNIA STATE DEPARTMENT OF CONSERVATION	\$2,730.68		
89567	07/09/2025	Open			Accounts Payable	CALIFORNIA STATE DEPARTMENT OF JUSTICE	\$32.00		
89568	07/09/2025	Open			Accounts Payable	Cleary, Lillian	\$380.00		
89569	07/09/2025	Open			Accounts Payable	Cole Huber LLP	\$6,963.78		
89570	07/09/2025	Open			Accounts Payable	Cooper, Andrew	\$146.50		
89571	07/09/2025	Open			Accounts Payable	Crossfire Tree & Vegetation Services	\$10,205.00		
89572	07/09/2025	Open			Accounts Payable	Desilva Gates Construction LLC	\$2,602,516.46		
89573	07/09/2025	Open			Accounts Payable	Dokken Engineering, Inc.	\$73,667.53		
89574	07/09/2025	Open			Accounts Payable	Eidhammer, Trenton	\$19.00		
89575	07/09/2025	Open			Accounts Payable	FP/FRANCOTYP-POSTALIA MAILING SOLUTIONS	\$145.80		
89576	07/09/2025	Open			Accounts Payable	GREAT AMERICA LEASING CORP.	\$146.82		

TOWN OF PARADISE

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
89577	07/09/2025	Open			Accounts Payable	Gregory Cundiff	\$350.00		
89578	07/09/2025	Open			Accounts Payable	Hawkins Delafield & Wood LLP	\$875.00		
89579	07/09/2025	Open			Accounts Payable	HDR Engineering, Inc	\$72,709.88		
89580	07/09/2025	Open			Accounts Payable	HUDSON'S APPLIANCE CENTER	\$2,173.08		
89581	07/09/2025	Open			Accounts Payable	INDUSTRIAL POWER PRODUCTS	\$121.63		
89582	07/09/2025	Open			Accounts Payable	INTERSTATE OIL COMPANY	\$34.67		
89583	07/09/2025	Open			Accounts Payable	J2 Electric	\$320.00		
89584	07/09/2025	Open			Accounts Payable	Jacobs Engineering Group Inc.	\$37,768.84		
89585	07/09/2025	Open			Accounts Payable	James or Lavenia Riotto	\$250.00		
89586	07/09/2025	Open			Accounts Payable	Jennifer Arbuckle	\$5,750.00		
89587	07/09/2025	Open			Accounts Payable	JOHNNY ON THE SPOT PORTABLES	\$199.20		
89588	07/09/2025	Open			Accounts Payable	KEN'S PARADISE HITCH & WELDING	\$52.50		
89589	07/09/2025	Open			Accounts Payable	Kovacs, Cameron	\$146.50		
89590	07/09/2025	Open			Accounts Payable	Kozak, Ginny	\$86.08		
89591	07/09/2025	Open			Accounts Payable	Law Office of Gregory P. Einhorn	\$1,480.00		
89592	07/09/2025	Open			Accounts Payable	LEAF Capital Funding LLC	\$143.55		
89593	07/09/2025	Open			Accounts Payable	LEXIPOL, LLC	\$1,060.90		
89594	07/09/2025	Open			Accounts Payable	Mendes Supply Company	\$101.19		
89595	07/09/2025	Open			Accounts Payable	Meyers Police K-9 Training, LLC	\$1,200.00		
89596	07/09/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
89597	07/09/2025	Open			Accounts Payable	NORMAC INC	\$98.78		
89598	07/09/2025	Open			Accounts Payable	NORTHGATE PETROLEUM CO	\$8,945.57		
89599	07/09/2025	Open			Accounts Payable	NV5, Inc.	\$18,151.05		
89600	07/09/2025	Open			Accounts Payable	O'REILLY AUTO PARTS	\$1,620.71		
89601	07/09/2025	Open			Accounts Payable	OFFICE DEPOT ACCT#36233169	\$838.22		
89602	07/09/2025	Open			Accounts Payable	PARADISE IRRIGATION DIST	\$2,103.76		
89603	07/09/2025	Open			Accounts Payable	PARADISE POST	\$222.12		
89604	07/09/2025	Open			Accounts Payable	Patio Pros, Inc.	\$837.37		
89605	07/09/2025	Open			Accounts Payable	PICKERING, ROBERT	\$19.00		
89606	07/09/2025	Open			Accounts Payable	Psomas	\$33,813.64		
89607	07/09/2025	Open			Accounts Payable	R B SPENCER INC	\$21,630.25		
89608	07/09/2025	Open			Accounts Payable	SILVERADO AVIONICS, INC	\$1,292.95		
89609	07/09/2025	Open			Accounts Payable	SKYWAY TOOL CENTER	\$316.81		
89610	07/09/2025	Open			Accounts Payable	Spherion Staffing	\$4,693.86		
89611	07/09/2025	Open			Accounts Payable	Stratti	\$7,583.00		
89612	07/09/2025	Open			Accounts Payable	SUTTER BUTTES COMMUNICATIONS, INC.	\$1,156.98		
89613	07/09/2025	Open			Accounts Payable	Tahoe Pure Water Co.	\$247.60		
89614	07/09/2025	Open			Accounts Payable	THOMAS ACE HARDWARE	\$99.98		
89615	07/09/2025	Open			Accounts Payable	THOMAS ACE HARDWARE - ENG. DEPT.	\$246.70		
89616	07/09/2025	Open			Accounts Payable	THOMAS ACE HARDWARE - FIRE DEPT.	\$4.87		
89617	07/09/2025	Open			Accounts Payable	WILSON PRINTING	\$747.82		
89618	07/09/2025	Open			Accounts Payable	WITTMER AUTO CENTER	\$16.52		
89619	07/14/2025	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$102.81		
89620	07/14/2025	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$30.02		
89621	07/10/2025	Open			Accounts Payable	Aflac	\$57.98		

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
89622	07/10/2025	Open			Accounts Payable	Met Life	\$13,386.56		
89623	07/10/2025	Open			Accounts Payable	OPERATING ENGINEERS	\$910.00		
89624	07/10/2025	Open			Accounts Payable	PARADISE POLICE OFFICERS ASSOCIATION	\$2,599.71		
89625	07/10/2025	Open			Accounts Payable	SUN LIFE INSURANCE	\$10,119.80		
89626	07/10/2025	Open			Accounts Payable	SUPERIOR VISION SVC INC	\$879.20		
89627	07/10/2025	Open			Accounts Payable	TOP CONFIDENTIAL MID MGMT ASSOCIATION	\$140.00		
89628	07/22/2025	Open			Accounts Payable	ICMA 457 - MissionSquare	\$3,406.29		
89629	07/22/2025	Open			Accounts Payable	STATE DISBURSEMENT UNIT	\$656.29		
89630	07/23/2025	Open			Accounts Payable	ACCESS INFORMATION PROTECTED	\$102.38		
89631	07/23/2025	Open			Accounts Payable	ACI ENTERPRISES, INC.	\$2,631.72		
89632	07/23/2025	Open			Accounts Payable	ADVANCED DOCUMENT CONCEPTS	\$270.00		
89633	07/23/2025	Open			Accounts Payable	ALL STAR TOWING	\$978.50		
89634	07/23/2025	Open			Accounts Payable	Asbury Environmental Services	\$153.00		
89635	07/23/2025	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$135.87		
89636	07/23/2025	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$763.35		
89637	07/23/2025	Open			Accounts Payable	Baccala, Lauren	\$265.86		
89638	07/23/2025	Open			Accounts Payable	Baker Tilly US, LLP	\$9,288.20		
89639	07/23/2025	Open			Accounts Payable	Bear Electrical Systems, Inc	\$3,570.00		
89640	07/23/2025	Open			Accounts Payable	Business Radio Licensing	\$125.00		
89641	07/23/2025	Open			Accounts Payable	BUTTE CO RECORDER	\$140.00		
89642	07/23/2025	Open			Accounts Payable	C & C ROOFING, INC.	\$19,593.75		
89643	07/23/2025	Open			Accounts Payable	Coastland	\$87,696.61		
89644	07/23/2025	Open			Accounts Payable	Cole Huber LLP	\$18,415.15		
89645	07/23/2025	Open			Accounts Payable	Curtis, Ryan	\$410.00		
89646	07/23/2025	Open			Accounts Payable	DATCO SERVICES CORPORATION	\$754.50		
89647	07/23/2025	Open			Accounts Payable	DM Construction Services	\$18,720.00		
89648	07/23/2025	Open			Accounts Payable	Dokken Engineering, Inc.	\$2,340.63		
89649	07/23/2025	Open			Accounts Payable	DURHAM PENTZ TRUCK CENTER	\$138.97		
89650	07/23/2025	Open			Accounts Payable	Eidhammer, Trenton	\$60.00		
89651	07/23/2025	Open			Accounts Payable	Elam IT, Jon, Elam	\$5,171.91		
89652	07/23/2025	Open			Accounts Payable	FIDELITY NATIONAL TITLE COMPANY - CHICO	\$100,000.00		
89653	07/23/2025	Open			Accounts Payable	Fleming Construction	\$8,500.00		
89654	07/23/2025	Open			Accounts Payable	FROST, JAMES	\$395.96		
89655	07/23/2025	Open			Accounts Payable	GENESIS SOCIETY	\$500.00		
89656	07/23/2025	Open			Accounts Payable	GOVERNOR'S OFFICE OF EMERGENCY SERVICES	\$201.00		
89657	07/23/2025	Open			Accounts Payable	GREAT AMERICA LEASING CORP.	\$157.70		
89658	07/23/2025	Open			Accounts Payable	GREEN RIDGE LANDSCAPING	\$7,215.00		
89659	07/23/2025	Open			Accounts Payable	Hawkins Delafield & Wood LLP	\$875.00		
89660	07/23/2025	Open			Accounts Payable	HDR Engineering, Inc	\$135,968.54		
89661	07/23/2025	Open			Accounts Payable	HLP, INC / CHAMELEON SOFTWARE PRODUCTS	\$5.95		
89662	07/23/2025	Open			Accounts Payable	INTERSTATE OIL COMPANY	\$528.23		
89663	07/23/2025	Open			Accounts Payable	James or Lavenia Riotto	\$225.00		
89664	07/23/2025	Open			Accounts Payable	JOHNNY ON THE SPOT PORTABLES	\$380.25		

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
89665	07/23/2025	Open			Accounts Payable	JOURNYX, INC.	\$9,130.80		
89666	07/23/2025	Open			Accounts Payable	KOEFRAN INDUSTRIES	\$1,200.00		
89667	07/23/2025	Open			Accounts Payable	L.N. CURTIS & SONS	\$19,884.98		
89668	07/23/2025	Open			Accounts Payable	LIFE ASSIST INC	\$748.81		
89669	07/23/2025	Open			Accounts Payable	Meeks Lumber & Hardware	\$7,900.00		
89670	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$508.10		
89671	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
89672	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
89673	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
89674	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$90,000.00		
89675	07/23/2025	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
89676	07/23/2025	Open			Accounts Payable	MODERN BUILDING INC.	\$60,238.37		
89677	07/23/2025	Open			Accounts Payable	Moreland Construction Inc.	\$23,524.09		
89678	07/23/2025	Open			Accounts Payable	Morgan Ridge Construction, Inc.	\$11,315.25		
89679	07/23/2025	Open			Accounts Payable	MUNIMETRIX SYSTEMS CORP	\$39.99		
89680	07/23/2025	Open			Accounts Payable	N&S North, INC	\$107.72		
89681	07/23/2025	Open			Accounts Payable	NAPA Auto Parts	\$41.21		
89682	07/23/2025	Open			Accounts Payable	NCCSIF TREASURER	\$568,759.00		
89683	07/23/2025	Open			Accounts Payable	NCCSIF TREASURER	\$33,289.75		
89684	07/23/2025	Open			Accounts Payable	Nichols-Melburg + Rossetto, AIA + Associates Inc	\$1,800.00		
89685	07/23/2025	Open			Accounts Payable	NORMAC INC	\$150.58		
89686	07/23/2025	Open			Accounts Payable	North State Tire Co. Inc.	\$559.36		
89687	07/23/2025	Open			Accounts Payable	NORTHERN RECYCLING & WASTE SERVICES, INC.	\$4,705.80		
89688	07/23/2025	Open			Accounts Payable	NORTHGATE PETROLEUM CO	\$9,207.09		
89689	07/23/2025	Open			Accounts Payable	NORTHSTAR	\$1,734.00		
89690	07/23/2025	Open			Accounts Payable	NV5, Inc.	\$65,357.98		
89691	07/23/2025	Open			Accounts Payable	O'REILLY AUTO PARTS	\$1,653.75		
89692	07/23/2025	Open			Accounts Payable	PARADISE POST	\$414.31		
89693	07/23/2025	Open			Accounts Payable	RDO Equipment	\$14.14		
89694	07/23/2025	Open			Accounts Payable	Redline Installations Inc	\$34,528.56		
89695	07/23/2025	Open			Accounts Payable	RENTAL GUYS - CHICO	\$771.40		
89696	07/23/2025	Open			Accounts Payable	Sigler Pest Control	\$50.00		
89697	07/23/2025	Open			Accounts Payable	Spherion Staffing	\$9,076.08		
89698	07/23/2025	Open			Accounts Payable	Stratti	\$5,190.00		
89699	07/23/2025	Open			Accounts Payable	Tahoe Pure Water Co.	\$135.35		
89700	07/23/2025	Open			Accounts Payable	THOMAS ACE HARDWARE - ENG. DEPT.	\$279.25		
89701	07/23/2025	Open			Accounts Payable	THOMAS ACE HARDWARE - FIRE DEPT.	\$259.53		
89702	07/23/2025	Open			Accounts Payable	THOMAS HYDRAULIC & HARDWARE SUPPLY, INC.	\$114.71		
89703	07/23/2025	Open			Accounts Payable	THRIFTY ROOTER	\$325.00		
89704	07/23/2025	Open			Accounts Payable	Tom Provost Construction, Inc	\$31,383.75		
89705	07/23/2025	Open			Accounts Payable	Top Notch Commercial Cleaning Inc.	\$3,600.00		
89706	07/23/2025	Open			Accounts Payable	Town of Paradise	\$1,199.89		
89707	07/23/2025	Open			Accounts Payable	TRUEPOINT SOLUTIONS, LLC	\$82.50		
89708	07/23/2025	Open			Accounts Payable	TUCKER PEST CONTROL INC	\$95.00		
89709	07/23/2025	Open			Accounts Payable	ULINE	\$2,667.96		

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
89710	07/23/2025	Open			Accounts Payable	UNICO Engineering, Inc.	\$67,211.91		
89711	07/23/2025	Open			Accounts Payable	Utility Associates, Inc.	\$12,469.11		
89712	07/23/2025	Open			Accounts Payable	Williams Scotsman, Inc. (Mobile Mini)	\$193.81		
89713	07/23/2025	Open			Accounts Payable	David Anderson , Anthony & Debroah	\$201.29		
89714	07/23/2025	Open			Accounts Payable	Fruit, James	\$104.22		
89715	07/23/2025	Open			Accounts Payable	Gunther, Kateryna	\$20.75		
89716	07/23/2025	Open			Accounts Payable	Magneson Tractor Service INC	\$47.75		
89717	07/23/2025	Open			Accounts Payable	Myles Harland and Christine Dew	\$86.31		
89718	07/23/2025	Open			Accounts Payable	ADVANCED DOCUMENT CONCEPTS	\$13.42		
89719	07/23/2025	Open			Accounts Payable	Broad & Gusman	\$4,000.00		
89720	07/23/2025	Open			Accounts Payable	Enterprise Rancheria Estom Yumeka Maidu Tribe	\$14,400.00		
89721	07/23/2025	Open			Accounts Payable	OFFICE DEPOT ACCT#36233169	\$33.92		
89722	07/23/2025	Open			Accounts Payable	Pioneer Community Energy	\$1,041.94		
89723	07/23/2025	Open			Accounts Payable	The Fergusson Group	\$5,000.00		
89724	07/23/2025	Open			Accounts Payable	Urban Design Associates. LTD	\$2,149.00		
89725	07/23/2025	Open			Accounts Payable	Warner Enterprises Inc	\$356,117.94		
89726	07/23/2025	Open			Accounts Payable	Warner Enterprises Inc	\$301,779.18		
89727	07/31/2025	Open			Accounts Payable	ICMA 457 - MissionSquare	\$3,668.73		
89728	07/31/2025	Open			Accounts Payable	STATE DISBURSEMENT UNIT	\$656.29		
Type Check Totals:							\$5,814,092.08		
<u>EFT</u>									
214	07/08/2025	Open			Accounts Payable	CALPERS - RETIREMENT	\$69,205.49		
215	07/08/2025	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$16,137.97		
216	07/08/2025	Open			Accounts Payable	ING LIFE INS & ANNUITY COMPANY	\$6,954.32		
217	07/08/2025	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$49,835.91		
218	07/09/2025	Open			Accounts Payable	Amazon Capital Services	\$771.77		
219	07/09/2025	Voided/Reissued	Incorrect Check Number	07/14/2025	Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$102.81		
220	07/09/2025	Voided/Reissued	Incorrect Check Number	07/14/2025	Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$30.02		
221	07/09/2025	Open			Accounts Payable	COMCAST CABLE	\$19.19		
222	07/09/2025	Open			Accounts Payable	COMCAST CABLE	\$327.03		
223	07/09/2025	Open			Accounts Payable	I.M.P.A.C. PAYMENTS IMPAC GOV SVCS/US BANCORP	\$30,088.32		
224	07/09/2025	Voided	Duplicate Payment	07/14/2025	Accounts Payable	PACIFIC GAS & ELECTRIC	\$354.79		
225	07/09/2025	Open			Accounts Payable	T MOBILE USA, INC.	\$2,011.57		
226	07/10/2025	Open			Accounts Payable	CALPERS	\$166,883.20		
227	07/22/2025	Open			Accounts Payable	CALPERS - RETIREMENT	\$71,965.50		
228	07/22/2025	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$15,053.18		
229	07/22/2025	Open			Accounts Payable	ING LIFE INS & ANNUITY COMPANY	\$6,892.45		
230	07/22/2025	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$47,791.34		
231	07/22/2025	Open			Accounts Payable	CALPERS - RETIREMENT	\$2,747,937.00		
232	07/23/2025	Open			Accounts Payable	Amazon Capital Services	\$225.86		
233	07/23/2025	Open			Accounts Payable	AT&T MOBILITY	\$161.57		
234	07/23/2025	Open			Accounts Payable	COMCAST CABLE	\$420.98		
235	07/23/2025	Open			Accounts Payable	I.M.P.A.C. PAYMENTS IMPAC GOV SVCS/US BANCORP	\$1,322.77		

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
236	07/23/2025	Open			Accounts Payable	VERIZON WIRELESS	\$570.15		
237	07/23/2025	Open			Accounts Payable	VERIZON WIRELESS	\$282.39		
238	07/23/2025	Open			Accounts Payable	VERIZON WIRELESS	\$1,365.30		
239	07/23/2025	Open			Accounts Payable	I.M.P.A.C. PAYMENTS IMPAC GOV SVCS/US BANCORP	\$228.39		
240	07/23/2025	Open			Accounts Payable	PACIFIC GAS & ELECTRIC	\$348.15		
241	07/24/2025	Open			Accounts Payable	Amazon Capital Services	\$2,685.00		
242	07/24/2025	Open			Accounts Payable	COMCAST CABLE	\$425.98		
243	07/24/2025	Open			Accounts Payable	COMCAST CABLE	\$210.98		
244	07/31/2025	Open			Accounts Payable	Computershare	\$1,281,085.15		
245	07/31/2025	Open			Accounts Payable	PACIFIC GAS & ELECTRIC	\$8,181.34		
246	07/31/2025	Open			Accounts Payable	Amazon Capital Services	\$439.58		
247	07/31/2025	Open			Accounts Payable	CALPERS - RETIREMENT	\$72,677.39		
248	07/31/2025	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$15,586.91		
249	07/31/2025	Open			Accounts Payable	ING LIFE INS & ANNUITY COMPANY	\$6,210.65		
250	07/31/2025	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$49,267.70		
Type EFT Totals:							\$4,674,058.10		
AP TCB - General Checking Totals									

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	194	\$5,814,092.08	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	194	\$5,814,092.08	\$0.00
EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	34	\$4,673,570.48	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	3	\$487.62	\$0.00
	Total	37	\$4,674,058.10	\$0.00

Payment Register

From Payment Date: 7/1/2025 - To Payment Date: 7/31/2025

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
Grand Totals:									
All		Status	Count	Transaction Amount		Reconciled Amount			
		Open	228	\$10,487,662.56		\$0.00			
		Reconciled	0	\$0.00		\$0.00			
		Voided	3	\$487.62		\$0.00			
		Stopped	0	\$0.00		\$0.00			
		Total	231	\$10,488,150.18		\$0.00			
Checks		Status	Count	Transaction Amount		Reconciled Amount			
		Open	194	\$5,814,092.08		\$0.00			
		Reconciled	0	\$0.00		\$0.00			
		Voided	0	\$0.00		\$0.00			
		Stopped	0	\$0.00		\$0.00			
		Total	194	\$5,814,092.08		\$0.00			
EFTs		Status	Count	Transaction Amount		Reconciled Amount			
		Open	34	\$4,673,570.48		\$0.00			
		Reconciled	0	\$0.00		\$0.00			
		Voided	3	\$487.62		\$0.00			
		Total	37	\$4,674,058.10		\$0.00			
All		Status	Count	Transaction Amount		Reconciled Amount			
		Open	228	\$10,487,662.56		\$0.00			
		Reconciled	0	\$0.00		\$0.00			
		Voided	3	\$487.62		\$0.00			
		Stopped	0	\$0.00		\$0.00			
		Total	231	\$10,488,150.18		\$0.00			



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 2(c)

ORIGINATED BY: Colin Nelson, Capital Projects Manager
REVIEWED BY: Jim Goodwin, Town Manager
SUBJECT: Amended Anti-Discrimination Policy – Admin Policy No. 197
LONG TERM RECOVERY PLAN: Yes, Tier 1, Federal Grant Funding

COUNCIL ACTION REQUESTED:

1. Adopt Resolution No. 2025-____ “A Resolution of the Town Council of the Town of Paradise Amending a Policy on Nondiscrimination in Programs Receiving Federal Assistance.”

Background and Analysis:

Title 40 of the Code of Federal Regulations, Part 5 requires the Town of Paradise to adopt a policy of nondiscrimination on the basis of race, color, national origin, age, sex, or disability; and Title 40 of the Code of Federal Regulations, Part 7, requires the Town of Paradise to adopt a policy of non-discrimination in programs receiving federal assistance from the EPA and other Federal Funding Agencies, which occurred on May 13, 2025.

The purpose of this policy is to acknowledge and comply with the requirements of Title 40 of the Code of Federal Regulations and to outline a procedure for receiving complaints, and procedures in order to assure the prompt and fair resolution of complaints that allege a violation by the Town of 40 CFR Parts 5 and 7.

Town staff received input from EPA regarding some desirable amendments that have proved beneficial in other jurisdictions. Specifically, the amendments relate to the legal standard in effect related to any potential complaints, notices to parties related to retaliation and intimidation, and mandating an annual review of the policy.

Financial Impact:

Minor costs will be incurred for website updates and staff training.

Adoption of, and compliance with the Amended Policy on Nondiscrimination in Programs Receiving Federal Assistance will allow the Town to remain eligible for Federal-aid funds.

Attachments:

1. Resolution – Amended Policy on Nondiscrimination in Programs Receiving Federal Assistance
2. Administrative Policy No. 197 Nondiscretionary Policy in Programs Receiving Federal Funds

**TOWN OF PARADISE
RESOLUTION NO. 2025-_____**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
AMENDING A POLICY ON NONDISCRIMINATION IN PROGRAMS RECEIVING
FEDERAL ASSISTANCE**

WHEREAS, the Town of Paradise and its residents sustained catastrophic damages as a result of the Camp Fire; and,

WHEREAS, the Town of Paradise has received several tranches of federal assistance and grants from various federal agencies, including but not limited to the Federal Emergency Management Agency ("FEMA"), the U.S. Department of Housing and Urban Development ("HUD") Public Assistance funds, Environmental Protection Agency ("EPA"), and others; and,

WHEREAS, Title 40 of the Code of Federal Regulations, Part 5, requires the Town of Paradise to adopt a policy of nondiscrimination on the basis of sex; and

WHEREAS, Title 40 of the Code of Federal Regulations, Part 7, requires the Town of Paradise to adopt a policy of nondiscrimination in programs receiving federal assistance from the EPA; and

WHEREAS, prior to the adoption of this Resolution, the Town of Paradise did not have policies of nondiscrimination applicable to these federal funding sources; and

WHEREAS, the Town of Paradise adopted a policy on nondiscrimination in programs receiving federal assistance on May 13, 2025; and

WHEREAS, the Town of Paradise desires to amend the policy to add additional provisions for the protection of the Town and the public at large; and

WHEREAS, the Town of Paradise desires to adopt these amended policies for all programs receiving federal assistance.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Paradise as follows:

Section 1. The above recitals are true and correct and are incorporated as if fully set forth herein.

Section 2. The Town of Paradise hereby adopts and approves of the following amended policy, which is attached as Exhibit A to this Resolution, to apply to all programs receiving federal assistance.

PASSED AND ADOPTED by the Town Council of the Town of Paradise on this 12th day of August 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Steven Crowder, Mayor

ATTEST:

Melanie Elvis, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



TOWN OF PARADISE, CALIFORNIA

Policy: Amended Policy on Nondiscrimination in Programs Receiving Federal Assistance No. 197

Effective Date: ~~May 15~~ August 12, 2025

Policy Summary: Title 40 of the Code of Federal Regulations, Parts 5 and 7, Nondiscrimination in Programs or Activities Receiving Federal Assistance, prohibits discrimination on the basis of race, color, national origin, age, sex, or disability in programs or activities receiving federal assistance.

Purpose

The purpose of this policy is to collect, maintain, and provide information showing compliance with Title 40 of the Code of Federal Regulations (“CFR”), Parts 5 and 7; to designate a person to be the Nondiscrimination Compliance Coordinator (“NCC”) to coordinate efforts to comply with 40 CFR, Parts 5 and 7; to adopt grievance procedures that assures the prompt and fair resolution of discrimination complaints alleging violations of 40 CFR, Parts 5 and 7; and to provide continuing and prominent public notice of nondiscrimination on the basis of race, color, national origin, age, sex, sexual orientation, or disability, and of the identity and contact information for the NCC.

As set forth below, it is the Town of Paradise’s policy not to discriminate on the basis of several factors, including those covered by 40 CFR Parts 5 and 7. In addition, the Town of Paradise adopts the following procedures to implement the requirements of 40 CFR Parts 5 and 7.

Requirements

The Town shall collect, maintain, and on request of the U.S. EPA, Office of Civil Rights (OCR), provide the following information to show compliance with 40 CFR Part 7:

- a. A brief description of any lawsuits pending against the Town that allege discrimination which 40 CFR Parts 5 and 7 prohibit;
- b. A log of discrimination complaints that identifies the complaint, the date it was filed, the date the Town’s investigation was completed, the disposition, and the date of disposition;
- c. Reports of any similar compliance reviews conducted by any other agencies;

- d. Additional data and information specific to certain Town programs or activities to determine compliance where there is reason to believe that discrimination may exist in a program or activity or to investigate a complaint alleging discrimination in a Town program or activity;

When preparing compliance information, the Town shall use the racial classifications set forth in 40 CFR, Section 7.25, in determining categories of race, color, or national origin; The Town shall keep records of the compliance information identified in paragraphs above, for at least three years after completing a project for which the Town was a recipient of federal assistance. When any complaint or other action for alleged failure by the Town to comply with 40 CFR Parts 5 and 7, is brought before the three-year period ends, the Town shall keep records until the complaint is resolved; and the Town shall:

- Give OCR access during normal business hours to its books, records, accounts, and other sources of information, including its facilities, as may be pertinent to ascertain compliance with 40 CFR Part 7;
- Prominently display a Notice of Nondiscrimination and present this policy on the official Town of Paradise website; and
- Make compliance information available to the public upon request; and
- Assist in obtaining other required information that is in the possession of other state agencies, institutions, or persons not under the Town's control. If such party refuses to release that information, the Town shall inform the OCR and explain its efforts to obtain the information.

General Policy

The Town of Paradise adopts the following grievance procedures in order to assure the prompt and fair resolution of complaints that allege a violation by the Town of 40 CFR Parts 5 and 7:

1. In order to have a complaint submittal considered for investigation under this procedure, the complainant shall file the complaint no later than 180 calendar days after the date(s) of the alleged act(s) of discrimination. The Town may be willing to, but is not required to, waive the 180-calendar day requirement if the complainant shows good cause and/or under severe circumstances.

The complaint shall be in writing and signed by the complainant or the complainant's representative and shall include contact information for the complainant or their representative.

The complaint shall specify with as much detail as possible:

- a. The actions or inactions by the Town that support an alleged violation of 40 CFR Part 5 and/or Part 7;
- b. The alleged discrimination that did or will result from such actions or inactions;

- c. The identity of the person(s) harmed or potentially harmed by the alleged discrimination; and
- d. The identity of any witnesses to the alleged action; and
- e. The section of 40 CFR Part 5 and/or Part 7, that the Town allegedly violated.

The Town may request additional information from the complainant if needed to assist with meeting the complaint requirements listed above. The Town is committed to taking reasonable steps to provide meaningful access to its grievance process for individuals with limited English proficiency and provide individuals with disabilities the right to request reasonable modifications or auxiliary aids or services needed to obtain equal access to and enable participation in the Town's grievance process. Auxiliary aids and services may include qualified interpreters to individuals who are deaf or hard of hearing and must be provided in a timely manner and in such a way as to protect the privacy and independence of the individual. Also, complaints in alternate formats shall be accepted from individuals with disabilities, for example, complaints filed on audio tape or in Braille.

All complaint submittals should be mailed (or e-mailed) to the NCC at the following address:

Marc Mattox
Town of Paradise
5555 Skyway
Paradise, CA 95969
E-mail: mmattox@townofparadise.com

2. All complaint submittals are to be logged. The NCC shall retain a copy of all documents on file in accordance with the records retention schedule. The NCC shall also notify the relevant program manager(s).

The following are examples of what will not be logged as a complaint submittal:

- a. Anonymous submittals;
- b. Submittals too vague to reasonably determine the allegations of discriminatory conduct;
- c. Submittals not sufficiently identifying the person(s) harmed or potentially harmed by the alleged discrimination;
- d. Inquiries seeking advice or information;
- e. Courtesy copies of court pleadings;
- f. Courtesy copies of complaints addressed to other local, state, or federal agencies;
- g. Newspaper articles;
- h. Web-based media sources such as YouTube videos, e-mail strings, blogposts, comments strings, or Web pages;
- i. Courtesy copies of internal grievances; and
- j. Voice mail messages, phone calls, or in-person conversations.

3. Upon receipt of a sufficient complaint and any additional information supporting or otherwise associated with that complaint, a case file shall be established containing all documents and information pertaining to the complaint and an initial review of the case shall be conducted.

4. The NCC, based on information in the complaint submittal and other information available, shall determine if:

- a. The Town has jurisdiction to pursue the matter; and
- b. The complaint submittal contains sufficient merit to warrant further investigation.

A complaint shall warrant further investigation unless:

- a. It appears on its face to be frivolous or trivial;
- b. The Town reaches an agreed resolution in writing with the complainant;
- c. Within the time allotted for making the determination of jurisdiction and investigative merit, the complainant withdraws the complaint; or
- d. The complaint was not submitted within the time limit established in Step 1.

Within 30 calendar days of receipt of the complaint submittal, the NCC shall inform the complainant if the complaint has or has not been accepted for further investigation. If it is determined that further investigation is not warranted, the reason for such determination shall be recorded in the case file.

5. ~~The Town may, but is not required to, offer a pre-investigation informal resolution process to the person who filed the complaint.~~ The Town may, but is not required to, offer a pre- or post-investigation or informal resolution process to the person who filed the complaint. Procedures related to the informal resolution will be determined by the Town.

6. If the NCC determines the complaint submittal warrants further investigation, the NCC shall review the alleged facts to determine the course of the investigation. The investigation may include interviews of employees, other relevant witnesses, or others named in the complaint. Relevant employees shall make themselves available as necessary. The preponderance of the evidence standard will be applied during the analysis of each complaint at all stages of this policy.

7. The NCC shall issue a report and determination on whether a violation of 40 CFR Parts 5 and/or 7 occurred. The NCC shall prepare a written report of the investigation that shall include a narrative of the incident, an identification of individuals interviewed and evidence reviewed, and findings and a determination. The report and determination shall be placed in the complaint file.

Within 180 calendar days of receiving and conducting an investigation into the complaint that warranted investigation, the NCC shall notify the complainant in writing of the findings of the investigation and the recommendations for resolution.

8. The person submitting the complaint may appeal the decision of the NCC by writing to the Town Manager within 30 calendar days of receiving the NCC's decision. The Town Manager shall issue a written decision in response to the appeal no later than 30 calendar days after its filing.

9. Acts of intimidation and retaliation are strictly prohibited. Any claims of intimidation or retaliation related to the complaint process will be handled promptly and fairly pursuant to this procedure and in the same manner as other claims of discrimination.

10. The Nondiscrimination Policy and Procedures shall be reviewed by Town staff on an annual basis, and revised as necessary by the Council based on the recommendation of Town staff to ensure prompt and fair resolution of discrimination complaints and ongoing compliance with 40 C.F.R. Parts 5 and 7.

Interpretation:

The Town Council of the Town of Paradise, California designates the Public Works Director/Town Engineer as the Town NCC responsible to coordinate the Town's efforts to comply with its obligations under 40 CFR Parts 5 and 7.

Review & Questions:

Questions on the application of this policy should be addressed to the Public Works Director/Town Engineer.



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 2(d)

ORIGINATED BY: Sarah Richter, Housing Program Coordinator
REVIEWED BY: James Goodwin, Town Manager
SUBJECT: Program Guidelines for HOME Investment Partnerships Programs Infill New Construction for First-Time Home Buyers
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Adopt Resolution No. 2025-____, "A Resolution of the Town Council of the Town of Paradise Adopting the Program Guidelines for the HOME Investment Partnerships Programs Infill New Construction for First-Time Home Buyers".

Background:

The Town of Paradise Housing Department applied to HCD for HOME Investment Partnership funds (Resolution No. 2022-07) for Infill New Construction in 2022 and was given a verbal award notification by HCD, but did not receive the written standard agreement until March of 2025. Once the standard agreement was received, Housing staff was able to draft program guidelines for HCD and Council approval.

Analysis:

The HOME Infill New Construction for First-Time Home Buyers program allows the Town of Paradise to purchase vacant properties, construct modest housing, and then sell the completed homes to low-income first-time home buyers with the mortgage assistance needed for the home buyer to have an affordable monthly housing payment. Proceeds from the home sales will be returned to the Town's HOME program income fund to be used for this and other affordable housing programs. While the revolving nature of this program will help the Town extend assistance to more households than a typical grant program, the Town will not profit from the home sales and diminishing returns are expected.

Due to funding and legal limitations, this program will be limited to no more than 10 homes. While it will have limited effect on the total number of new homes built in Paradise, it will help the Town assist a part of the population that isn't suited to live in affordable rental units and unable to purchase a home through traditional means. It's also an opportunity for the Town to add housing development for homeownership to its roster of development experience and make the Town more competitive on future housing grant applications.

Financial Impact:

The Town of Paradise has approximately \$2 million in HOME program income funds. This is money that was lent to residents from the Town's previous HOME funded housing programs that has since been paid back. The program income funds must be spent before the 2022 HOME grant funds can be drawn. The 2022 HOME grant award is \$700,000, and includes \$17,500 for program administration costs. The Town of Paradise needs to spend down the program income funds and the 2022 award before the grant expenditure deadline of February 29, 2028.

In anticipation of this program, the Housing staff programmed the Town's CDBG (Community Development Block Grant) funds to support the HOME Infill program. Housing services in support of a HOME program is an eligible use of CDBG funds. The Town has about \$75,000 already committed for this purpose and can allocate an additional \$60,000 in CDBG funding. CDBG funds can not be used for construction, but can be used for staffing and other program related costs.

**TOWN OF PARADISE
RESOLUTION NO. 2025-_____**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE ADOPTING THE
PROGRAM GUIDELINES FOR HOME INVESTMENT PARTNERSHIPS PROGRAMS INFILL
NEW CONSTRUCTION FOR FIRST-TIME HOME BUYERS**

WHEREAS, the Paradise Town Council adopted Resolution 2025-, "A resolution of the Town Council of the Town of Paradise adopting the Program Guidelines for HOME Investment Partnerships Programs Infill New Construction for First-Time Home Buyers;

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PARADISE
AS FOLLOWS:**

1. The Town hereby adopts the Program Guidelines for HOME Investment Partnerships Programs Infill New Construction for First-Time Home Buyers.
2. This resolution is effective immediately upon adoption.

PASSED AND ADOPTED by the Town Council of the Town Of Paradise this 12th day of August, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Crowder, Mayor

ATTEST:

Melanie Elvis, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney

Town of Paradise

HOME Investment Partnerships Program (HOME)

Infill New Construction for First-Time Homebuyers Program Guidelines

Serving the Town of Paradise



HOME FIRST-TIME HOMEBUYER PROGRAM GUIDELINES

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HOME PROGRAM FIRST-TIME HOMEBUYER PROGRAM GUIDELINES

1.0. GENERAL

The above-named entity, hereinafter referred to as the “Sponsor” or “Lender,” has entered into a contractual relationship with the California Department of Housing and Community Development (“HCD”) to administer a HOME First-Time Homebuyer program. The homebuyer program described herein (the “Program”) is designed to provide assistance to eligible homebuyers by increasing housing stock and assisting first-time homebuyers with a home purchase. The Program provides this assistance by paying for the construction of several homes at one time, and then selling the homes to pre-approved buyers at the lowest market rate, and crediting back proceeds from the sale to the buyer a deferred payment “silent” second priority loan as “Gap” financing toward the purchase price and closing costs of the home that will be occupied by the homebuyers as their primary residence during the HOME affordability period. The Program will be administered by The Town of Paradise, (the “Program Operator”).

1.1. PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to ensure nondiscriminatory treatment, outreach, and access to the Program. No person shall, on the grounds of race, color, ancestry, national origin, citizenship, immigration status, primary language, religion, disability (mental or physical), sex and gender, sexual orientation, gender identity, gender expression, genetic information, marital status, familial status (families with children under 18 or people who are pregnant), source of income, military or veteran status, or age be excluded, denied benefits, or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with disabilities, have access to the Program and will take steps to ensure effective communication with and marketing to applicants, residents, and members of the public with disabilities.

- A. The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Affirmative marketing efforts will be based upon a comparison (census data will be used) of the Program’s eligible area compared to the demographic characteristics of the population served by the Program. This includes tracking separately all applications, including subsets for those which result in denial of assistance or withdrawal, and for those which result in assistance), and an explanation and analysis of any underserved segments of the population. This information is used to show that protected classes (listed above) are not being intentionally or unintentionally excluded from the Program. Flyers or other outreach

materials, in English and any other languages that are the primary languages of a significant portion of the area's residents, in accordance with Sponsor's Limited English Proficiency (LEP) Plan, or equivalent, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program will be part of the Town's regular homebuyer workshops to help educate homebuyers about the homebuying process and future responsibilities.

- B. The Program Operator will market the Program to primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be invited to have their customers participate in the Program.
- C. The following statement will be included in all outreach and marketing materials: Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Operator will take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public. Housing constructed under the program will permit modifications to plans so that no otherwise qualified applicant is excluded due to disability.
- D. The Sponsor will ensure that all Personally-Identifiable Information remains confidential and is properly protected.

1.2. APPLICATION PROCESS AND SELECTION

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

If the Program Operator encounters material discrepancies and/or misrepresentations, and/or there are income, asset, household composition, or other important questions that cannot be resolved, the Sponsor reserves the right to deny assistance to the household. In this case, the applicant may re-apply after **6 months**, as stated in a written assistance denial letter.

After review of the Program application and all required documents, the Town issues the Buyer a pre-approval letter for participation in the Infill New Construction program.

- C. Each applicant must participate in individual Homebuyer Counseling consistent with the requirements in Section 1.6 of these Program Guidelines.

1.3 THE HOME BUILD PROCESS

- A. Formerly developed lots in Paradise will be purchased for construction of not more than 10 housing units, a minimum of 2,000 feet apart. Lots purchased for construction will have been vacant, with no habitable structure remaining, for a minimum of 90 days. Each property purchased will undergo the following:
 - a. Environmental Review
 - b. Title search
 - c. Property Survey
 - d. Septic Inspection
 - e. Weed Abatement
- B. A Request for Proposals will be issued, complying with procurement standards found in 2 CFR 200.317-327 and conflict of interest provisions found in 24 CFR 92.356, requesting bids for constructing homes on each property. Priority will be given to Section 3 contractors. Each property will require bids for either a two-or three-bedroom home, depending on the parcel size and septic capacity. By having one contractor build multiple homes simultaneously, the Town expects to see cost savings possible with economy of scale. Each home will be built to required WUI standards and current state and local building codes. Building plans are such that, should a disabled household require accommodations, plans can be modified to meet the household's needs, in compliance with Section 504 of the Rehabilitation Act of 1973.

Acceptable bids will be those that do not exceed the HOME per unit subsidy limit. Selected contractors shall comply with all items noted in Section 2 of these guidelines. Selected contractor is not subject to Davis-Bacon Wage

Requirements provided the contract does not exceed 12 housing units or 8 units on contiguous lots. Construction contracts executed will contain the standard language described in Attachment J. Selected contractors are required to comply with Section 3 hiring and reporting requirements.

- C. Buyers who have been pre-approved for a first mortgage and for assistance from the Town of Paradise will be invited to choose from the “shovel-ready” project sites and chose a building plan. Financial feasibility will be determined, and the Buyer will enter a purchase contract to purchase a home upon completion of construction.
- D. Not all Buyers will qualify for a first mortgage due to their low-income. Buyers who have stable but low-income, good credit, and enough available cash in lieu of a first mortgage, are not required to obtain other financing, provided that the Buyer’s housing payment is between 25% and 35% of their gross income even without a debt payment (property taxes, insurance, regular utilities).
- E. Due to the high availability of residential properties in Paradise, many eligible applicants already own vacant residential parcels in Paradise that may be eligible for new construction. Should a property meet all criteria required by other properties, (distance from other housing units, does not require hazard mitigation, and has clear title) the Town may elect to have highly qualified Buyers sell the property to the Town for the duration of housing unit construction and sold back to the Buyer upon completion. Consideration for the property will be deposited into an escrow account to be used as the Buyer’s down payment contribution for the purchase of the completed home. Should the Buyer not complete the purchase of the home at the end of construction, the funds held in escrow will be released to them, but they will no longer have ownership or purchase rights to the property and the Town will sell the property on the open market to the next qualified buyer.
- F. Upon execution of a purchase contract, the contractor will be issued a Notice to Proceed to construct the house. Construction is expected to take no more than 6 months. The Town of Paradise will pay the contractor directly for development hard costs and related soft costs, as eligible under 24 CFR 92.206.
- G. The Town of Paradise shall pay the contractor the contract price as provided in a contract for construction. The Town will make progress payments as the work proceeds, at the completion of pre-determined steps. Work will meet standards of quality established in the contract and verified by a qualified Building Inspector. The Town may retain a maximum of 10% of the amount of any payment if work is substantially complete but not satisfactory.

The contractor will furnish an unconditional waiver and release for each payment.

- H. When construction completion is imminent, the Buyer will have income, assets, and credit verified with third parties for final loan approval. The property will be appraised by the first lender, and close of escrow will be scheduled. Close of escrow will not occur until Certificate of Occupancy has been issued.
- I. Should a Buyer fail to purchase the home upon completion of construction, the purchase contract will be canceled, and the home will be made available to purchase by any other qualified Buyer. If the property is not sold to an eligible homebuyer within 9 months of completion of construction, the Town will rent the home to an eligible tenant.
- J. Sales proceeds will be deposited into the Town's HOME reuse account or CDBG reuse account, respectively, as Program Income. This allows the Town to recoup most of the cost of construction in order to both assist the homebuyer directly with only the amount down payment assistance necessary and avoid exceeding the HUD per unit subsidy in accordance with 24 CFR 92.250. The sales price of the property to the Buyer shall be the lesser of either the market value or the actual cost to acquire and construct the housing unit.

Development Soft Costs:	\$ 45,000
Construction Costs:	\$240,000
Closing Costs:	\$ 10,000
Total Expenses:	\$295,000
Purchase Price (total cost):	\$295,000
Estimated down payment assistance:	\$100,000
Total returned to Program Income:	\$195,000

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

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

1.4. THE HOME PURCHASE PROCESS

- A. Buyer, pre-approved by a first lender and the Town, is selected from the waitlist to choose a property and execute a purchase contract. The Buyer agrees to contribute 2% towards the purchase of the home and maintain program eligibility during the course of construction.
- B. The Town will verify all income and assets with third parties and determine the financing gap. See the following summary of the gap

DEBT SERVICE			
FOR A FAMILY OF FOUR EARNING \$4,500 PER MONTH			
HOUSING PAYMENTS		TOTAL OVERALL PAYMENTS	
Principal & Interest Payment	\$1179	\$1,604	Housing
Insurance	\$ 125	<u>+\$200</u>	<u>Other Debt Service</u>
Taxes	<u>\$ 300</u>	\$1,804	Total Debt Service
Total Housing Expense	\$1,604.00	(Overall debt service per month is 40% of	
\$4,500)	(PITI is 35% of \$3,388)		
OTHER HOUSEHOLD DEBT SERVICE			
Car Payment	\$ 150		
Credit Card Payment	<u>50</u>		
Total Other Debt	\$ 200		
A \$1604 per month loan payment equates to borrowing \$195,000 at 6% for a 30 year term.			

calculation below:

- C. The housing unit selection process will be conducted by the homebuyers of shovel-ready project sites and construction cost estimates.
- a. Homebuyer has no power of eminent domain and, therefore, will not acquire the property if negotiations fail to result in an amicable agreement;
 - b. Homebuyer's offer is an estimate of the fair market value of the housing unit, to be finally determined by a state-licensed appraiser;
- The housing unit will be subject to inspection. The housing unit must comply with state and local codes at the time of construction and local health and safety standards.
- D. Buyer and Town execute a standard form purchase and sale agreement. The purchase and sale agreement will be contingent on the household and housing unit meeting Program eligibility requirements and receiving Program loan approval, and Certificate of Occupancy of the subject property. The Town verifies applicant eligibility, housing unit and loan

**SUBSIDY CALCULATION
FOR A FAMILY OF FOUR EARNING \$4,500 PER MONTH**

Purchase Price of Property	\$300,000
Less Primary loan amount	\$194,000
Less down payment of 2%	<u>\$ 6000</u>
Equals "GAP"	\$100,000
Plus estimated allowable settlement charges	<u>8,500</u>
Equals Total Subsidy	\$ 108,500

eligibility and amount of assistance to be provided consistent with these guidelines.

- E. When primary lender requirements are met, Program funds are deposited into escrow, with required closing instructions and loan documents. When allowable by the first lender, Town funds will be in the form of seller credit towards the purchase, evidenced with a Promissory Note and deferred second Deed of Trust.
- F. At the time of escrow closing, the Sponsor shall be named as an additional loss payee on fire, flood (if required), and extended coverage insurance for the length of the loan and in an amount sufficient for full replacement cost of the housing unit. A policy of Title Insurance naming the Sponsor as insured is also required.

1.5. HOMEBUYER COSTS

- A. Eligible households must document that they have the funds necessary for down payment and closing costs as required by the primary lender and the Sponsor. The Program's down payment requirement (below) is in place even if the primary lender has a lower down payment requirement. If the primary lender has a higher down payment requirement, there is no additional down payment requirement required by the Program.
- B. Homebuyer must contribute a minimum down payment of two percent (2%) of the purchase price but may contribute more if desired. These funds can be gifted from a relative; however, institution grants do not count toward the homebuyer's minimum contribution. If the household is participating in a self-help build, their hours-worked can satisfy the 2% contribution.
- C. C. Sponsor will provide a subsidy that is no greater than the applicable HOME Maximum Per-Unit Subsidy Limit for the State of California **and no more than the amount of the buyer's first mortgage plus their down payment contribution.** The subsidy will reduce the amount of the primary lender's loan so that the payments of principal, interest, taxes, insurance, and mortgage insurance and HOA dues, if any, are within approximately **25 to 35%** of the household's gross monthly household income. In addition, the borrower's total debt must be within the ranges in Section 5.0. of these Program Guidelines.
- D. The Program Operator will determine the level of subsidy and affordability during underwriting of the Program's loan to make sure that it conforms to the requirements of the HCD funding Program.
- E. Proceeds of the sale will be deposited back into the Town's HOME and/or CDBG reuse accounts, respectively, as Program Income.

1.6. HOMEBUYER EDUCATION

All Program participants are required to receive housing counseling prior to Program approval, delivered by a HUD-certified housing counselor who works for an organization certified by HUD to perform housing counseling. The Program Operator will provide the homebuyer with the needed counselor information. A list of such counseling entities is available at:

https://hud4.my.site.com/housingcounseling/s/?language=en_US.

A copy of the applicant's certificate of completion must be placed into the homebuyer file maintained by the Program Operator. In addition, the Program Operator must include evidence that the counseling provider was HUD-certified when the counseling certification was issued.

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

Housing Counseling defined: Housing counseling is independent, expert advice customized to the need of the consumer to address the consumer's housing barriers and to help achieve their housing goals and must include the following processes: Intake; financial and housing affordability analysis; an action plan, and a reasonable effort to have follow-up communication with the client when possible. The content and process of housing counseling must meet the standards outlined in 24 CFR Part 214, which include:

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

1.7. CONFLICT OF INTEREST REQUIREMENTS

The applicable Conflict of Interest requirements of 24 CFR section 92.356 of the HOME Final Rule shall be followed for HOME assistance, as follows:

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

(b) Persons covered. The conflict of interest provisions of paragraph (a) of this section apply to any person who is an employee, agent, consultant, officer, or

elected official or appointed official of the participating jurisdiction, State recipient, or subrecipient receiving HOME funds.

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

1.8. NON-DISCRIMINATION REQUIREMENTS

The Program will be implemented in ways consistent with the Sponsor's commitment to non-discrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity funded in whole or in part with State or federal funds on the basis of race, color, ancestry, national origin, citizenship, immigration status, primary language, religion, disability (mental or physical), sex and gender, sexual orientation, gender identity, gender expression, genetic information, marital status, familial status (families with children under 18 or people who are pregnant), source of income, military or veteran status, or age.

2.0 CONTRACTOR QUALIFICATIONS

- 2.1 Selected contractors will comply with Section 3 labor compliance and reporting, Federal debarment statutes, and be appropriately licensed for the work they bid.
- 2.2 Selected contractors will supply the Town with performance and payment bonds to assure completion of the contract.
- 2.3 Selected contractors will be insured against liability in an amount not less than \$1,000,000, maintain minimum state-required Work Comp insurance, and maintain unemployment, disability, and liability insurance, if required by law.
- 2.4 Selected contractors will comply with applicable labor standards/prevaling wage provisions, as applicable, and comply with Equal Opportunity Requirements.
- 2.5 Selected contractors will comply with VAWA requirements (24 CFR 92.359), Contract Work Hours and Safety Standards (29 CFR Part 5 and 29 CFR Part 1926), Copeland Anti-Kick Back Act regulations (29 CFR Part 3), and conflict of interest provisions in 24 CFR 92.505.
- 2.6 Selected contractors will certify compliance with the Byrd Amendment prohibiting lobbying, and 24 CFR 92.257 and 5.109 governing engagement in inherently religious activities.
- 2.7 Selected contractors will enter into a construction contract with the Town of Paradise that includes a written scope of work, a line-itemed bid, allowable

timeframes for completion, dispute resolution procedures, and disbursement steps. The contract shall specify that work will be performed in accordance with federal, state, and local housing and building codes, regulations and statutes.

3.0 APPLICANT QUALIFICATIONS

3.1. CURRENT INCOME LIMITS FOR THE AREA, BY HOUSEHOLD SIZE

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

(See Attachment C for current income limits).

Household: Means one or more persons who will occupy a housing unit. Unborn children **don't count** in family size determination.

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

3.2. INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the HCD-published HUD income limits. The Program Operator should compare this annual gross income to the income the primary lender used when qualifying the household. The primary lender is usually underwriting to FHA or conventional guidelines and may not calculate the household income or assets in the same way as required by the Program. Income will be verified by examining at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) and six months of checking statements for the household. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

A. HOUSEHOLD INCOME DEFINITION:

Household income is defined in § 24 CFR 5.609

(a) Annual income includes, with respect to the family:

(1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household,

plus unearned income by or on behalf of each dependent who is under 18 years of age, and

(2) When the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

See Attachment A: Income Inclusions and Exclusions

B. ASSETS:

There is no asset limitation for participation in the Program. Income, or imputed income from assets, however, is recognized as part of annual income under the 24 CFR Part 5 regulations (included as Attachments A and B). An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. *(Note: it is the income earned – e.g., interest on a savings account – or in some cases imputed income, not the asset value, which is counted in annual income.)*

See Attachment B: Asset Inclusions and Exclusions

3.3. DEFINITION OF AN ELIGIBLE HOMEBUYER

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

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

1. a displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily

without remuneration to care for his or her home and family;

2. a single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; or
3. an individual or individuals who owns or owned, as a principal residence during the three-year period before the purchase of a home with assistance, a dwelling unit whose structure is:
 - a. not permanently affixed to a permanent foundation in accordance with local or state regulations; or
 - b. not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

4.0. HOUSING UNIT ELIGIBILITY

4.1. LOCATION AND CHARACTERISTICS

- A. Housing units to be purchased must be located within the eligible area. The eligible area is described as follows: "Within the Town of Paradise."
- B. Housing unit types eligible for the Homebuyer Program are new homes constructed as a part of this HOME Infill New Construction Program.
- C. All housing units will be built to current California Building Code requirements and Wildland Urban Interface requirements as imposed by the Town of Paradise and will be inspected to ensure the unit does not contain the specific deficiencies established by HUD based on the applicable standards in 24 CFR section 5.703 and published in the Federal Register for HOME-assisted projects and units, at the time of purchase and prior to occupancy. Before the close of escrow, the housing unit will have received a Certificate of Occupancy and Clearance to Record.

4.2. CONDITIONS

- A. Per 24 CFR section 92.214(a)(6), no additional HOME assistance, including rehabilitation funds, may be provided after the 1-year anniversary of the filing of the Project Completion Report through the end of the HOME Affordability Period. The HOME Affordability Period is as follows (amount does not include Activity Delivery and Administration Costs paid to the State Recipient by HCD):

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

During the HOME Affordability Period, the home must remain occupied by the borrower or an eligible heir, as their primary residence, or else all HOME assistance becomes due and payable.

- B. **Environmental Review:** Program Operator conducts an Environmental Review in accordance with 24 CFR Part 58, and Sponsor's NEPA Certifying Officer signs the appropriate form before any commitment of funds are made to the homebuyer. An Infill New Construction homebuyer project requires completion of a HUD CEST form from the [Environmental Review - HUD Exchange](#) webpage, including use of its worksheets for related laws and authorities.

4.3. ANTI-DISPLACEMENT POLICY AND RELOCATION ASSISTANCE

Eligible homes will be those that are newly constructed for purchase under this HOME Infill New Construction Program. A unit is ineligible if its purchase would result in the displacement of a tenant. It is not anticipated that the implementation of the Program will result in the displacement of any persons, households, or families. However, if tenant-occupied homes are inadvertently included in the Program and relocation becomes necessary, the activity will be carried out in compliance with Sponsor's relocation plan, which describes how those permanently displaced will be relocated and paid benefits in accordance with the following Federal laws.

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

The federal URA and Real Property Acquisition Policies Act of 1970, as amended, contains requirements for carrying out real property acquisition or the displacement of a person, regardless of income status, for a project or program for which HUD financial assistance (including HOME) is provided. Requirements governing real property acquisition are described in HUD's [CPD Handbook 1378.0](#). The implementing regulations, 49 CFR Part 24, require developers and owners to take certain steps regarding tenants of housing to be acquired, rehabilitated, or demolished, including tenants who will not be relocated even temporarily.

B. **Section104(d) of the Housing and Community Development Act of 1974**

Section 104(d) requires each contractor (CHDO or State Recipient), as a condition of receiving assistance under HOME, to certify that it is following a residential anti-displacement plan and relocation assistance plan. Section 104(d) also requires relocation benefits to be provided to low-income persons who are physically displaced or economically displaced as the result of a HOME-assisted project, and requires the replacement of low-income housing, which is demolished or converted. The implementing regulations for Section 104(d) can be found in 24 CFR Part 42, subpart (C).

4.4. PROPER NOTIFICATION AND DISCLOSURES

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

5.0. PURCHASE PRICE LIMITS

The purchase price limits for this Program shall not exceed the HOME Homeownership Value Limit for the Sponsor's County as updated by HCD, or a temporary waiver limit approved by HUD and the Department.

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

6.0. THE PRIMARY LOAN

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

A. QUALIFYING RATIOS

The front-end (housing) debt-to-income ratio shall be between 25% and 35% and is the percentage of a borrower's gross monthly income (before deductions) that would cover the cost of the loan principal and interest payment, property taxes, property insurance, and mortgage insurance and HOA dues, if any.

The back-end (total) debt-to-income ratio shall be between 25% and 45% and is the percentage of a borrower's gross monthly income that would cover the cost of housing as described in the paragraph above, plus any other monthly debt payments like auto or personal loans, credit card debt, and student debt, as well as child support and alimony payments.

Exceptions to these maximums must be documented and placed into each loan file, to demonstrate compensating factors. Adjusted gross income may be used when calculating borrower ratios (not for income eligibility) when a household has considerable income from other adults in the household who are not applicants to the primary loan or homebuyer assistance, to ensure the borrower(s) is/are not cost burdened.

The Program Operator must complete the HOME Subsidy Calculation Worksheet and place it into the loan file to document that the HOME assistance amount was appropriate, based on compliance with the debt ratio ranges in the two preceding paragraphs of this subsection. The Worksheet is currently accessible on the HOME webpage at:

https://www.hcd.ca.gov/grants-funding/grants-forms/docs/HOME_FTHB_Subsidy_Calculation_Worksheet_June_2013_Version.xls.

B. INTEREST RATE

The primary loan must have a fixed interest rate that does not exceed, by greater than one percent, the Freddie Mac 30-year Fixed Rate Mortgage rate at <https://www.freddiemac.com/pmms>.

The applicable Freddie Mac rate should be from the date the primary mortgage rate was locked, or else the date of HOME loan approval. No temporary interest rate buy-downs are permitted. The loan file must contain this documentation for Department monitoring purposes.

C. LOAN TYPE AND TERM

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

D. IMPOUND ACCOUNT

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

7.0. THE PROGRAM LOAN

A. MAXIMUM AMOUNT OF PROGRAM ASSISTANCE

For HOME, the amount of Program assistance to a homebuyer toward purchase of a home shall not exceed the HOME Maximum Per-Unit Subsidy Limits (“Subsidy Limits”) for the State of California. See Attachment C of these Program Guidelines for current Subsidy Limits.

B. NON-RECURRING CLOSING COSTS

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

C. AFFORDABILITY PARAMETERS FOR HOMEBUYERS

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

D. RATE AND TERMS FOR PROGRAM LOAN

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

The Program loan’s term shall be for 30 years unless the first loan is underwritten by USDA for a longer term, in which case the Program’s loan term will match the first..

The Program loan’s interest rate shall be 1% simple interest for the first 10 years only.

All Program loan payments shall be deferred because the borrowers will have their repayment ability fully utilized under the primary loan. Loan principal shall not be

forgiven, and the loan period cannot be extended, except for loans that are resubordinated when a rate and term refinance is approved, per Attachment D.

E. COMBINED LOAN-TO-VALUE RATIO

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

8.0. PROGRAM LOAN REPAYMENT (HOME RECAPTURE TERMS)

Recapture of Entire Direct Subsidy

The Program Lender recaptures the entire amount of the direct HOME subsidy provided to the homebuyer, plus any interest due according to the terms of the HOME Promissory Note, before the homebuyer receives a return. The recapture amount is limited to the net proceeds available from the sale or foreclosure.

In cases where there is appreciation, (see definition of Appreciation), the homebuyer would retain any net proceeds exceeding the direct HOME assistance plus interest due that is recaptured.

Example: A homebuyer receives \$10,000 of HOME down payment assistance to purchase a home. The direct HOME subsidy to the homebuyer is \$10,000, which results in a five-year Period of Affordability. If the homebuyer sells the home after three years, the grantee or state would recapture, assuming that there are sufficient net proceeds, the entire \$10,000 direct HOME subsidy plus any interest due according to the terms of the HOME Promissory Note. The homebuyer would receive any net proceeds in excess of that amount.

In some cases, such as in declining housing markets, net proceeds available at the time of sale may be insufficient to recapture the entire direct HOME subsidy plus interest due provided to the homebuyer. Since the HOME Final Rule limits recapture to available net proceeds, the Program Lender can recapture only what is available from net proceeds. In a scenario where recapture provisions state that the entire direct HOME subsidy plus interest will be recaptured, and there are insufficient net proceeds available at sale, the Program Lender is not required to repay to the Department, and the Department is not required to pay back to HUD the difference between the total direct HOME subsidy and the amount available for recapture from net proceeds.

8.1. PAYMENTS ARE VOLUNTARY

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

Payments will be applied to principal, thus reducing accrual of simple interest.

8.2. RECEIVING LOAN PAYMENTS

A. Voluntary Program loan payments, and loan payoffs, shall be made to:

Town of Paradise (Program Sponsor)

5555 Skyway

Paradise, CA 95969

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

8.3. DUE UPON SALE OR TRANSFER

If an owner sells, transfers title, or discontinues principal residency in the purchased property during the HOME Affordability Period for any reason, to a person who was not included in the household at the time of application approval, the loan is immediately due and payable pursuant to the Recapture (loan repayment) terms in the HOME Loan Agreement.

Notwithstanding the foregoing, if the owner of the property dies, even after the HOME Affordability Period expires, an heir may assume the HOME loan at the same rate and terms, if the heir was part of the household at the time of application approval and continues to meet occupancy requirements, or if the heir's household meets each of the following requirements:

- does not exceed the current HOME income limits; and
- will immediately occupy the home as their principal residence.

During the HOME Affordability Period, if the property owner dies and the heir does not meet these HOME eligibility requirements, the loan is due and payable.

The loan will be in default if the borrower fails to maintain required fire or flood insurance or fails to pay property taxes. See Attachment D on loan defaults for further information on property restrictions.

8.4. LOAN SERVICING POLICIES AND PROCEDURES

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

8.5. LOAN MONITORING PROCEDURES

Sponsor must monitor Borrowers and their homes annually to ensure adherence to Program requirements including, but not limited to, the following:

- A. Owner-occupancy during the Period of Affordability
- B. Property tax payment
- C. Hazard insurance coverage
- D. Good standing on Primary loans

9.0. PROGRAM LOAN UNDERWRITING AND APPROVAL

A. Loan Underwriting

All homebuyers or their representatives shall receive an eligibility packet with all the necessary forms, disclosures, information, and application. The homebuyer must submit a complete application packet with back-up documentation of all income and assets.. During the course of escrow, the primary lender shall submit copies of the following to the Sponsor: ; 1) mortgage application with good faith estimates and first mortgage disclosures; 2) full mortgage credit report3) current third-party income verifications and verifications of assets; 4) homeownership education certificate, if applicable; and 5) signed underwriting transmittal summary and final signed loan application, both from primary lender. Staff will work with local lenders to ensure qualified participants receive only the benefit from the Sponsor's Program needed to purchase the housing unit and that leveraged funds will be used when possible.

B. Creditworthiness

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

calculations of front-end and back-end debt-to-income ratios. The minimum credit score for program consideration is 620 with no items in collections, with an exception for medical debt.

C. Documents from Primary Lender

After initial review of the qualified homebuyer's application packet, the Program Operator will request any additional documents needed. Documents may be e-mailed or faxed. Based on receipt and review of the documents, the Program Operator will estimate household income (using the most-recent HCD program's guidance on income calculation and determination), and homebuyer certification (review of credit report and income taxes). Documentation of affordability shall then analyzed, and a subsidy amount will be determined by the Program Operator.

D. Disclosure of Program and Loan Information to Homebuyers

The Program will inform the borrower of the results of the income determination process, including the permissible range of primary mortgage payments and the maximum purchase price possible. Information on the Program's application will be documented with third-party verifications and/or documents in the file. The Program loan application provides current debt and housing information and will be documented by the credit report and income/asset verifications. The primary lender's approval letter and estimated closing cost statement should reflect all the information in the loan package and show any contingencies of loan funding. Reviewing the primary lender's loan underwriting documentation will provide basic information about the qualification of the applicant and substantiate the affordability provided by the Program loan. By reviewing and cross-checking all the primary lender information, the final Program loan amount approved will fall within the affordability parameters of the Program.

9.1. COMPLETION OF UNDERWRITING AND APPROVAL OF PROGRAM LOAN

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

9.2. PRIMARY AND PROGRAM LOAN DOCUMENT SIGNING

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

9.3 ESCROW PROCEDURES

The escrow/title company shall review the escrow instructions provided by the Program Lender and shall issue California Land Title Association (CLTA) and American Land Title Association (ALTA) policies to the homebuyer and the Program Lender after closing. The CLTA policy is issued to the homebuyer and protects them against failure of title based on public records and against such unrecorded risks as forgery of a deed. The ALTA policy is issued to each lender providing additional coverage for the physical aspects of the property, as well as the homebuyer's title failure. These aspects include anything which can be determined only through physical inspection, such as correct survey lines, encroachments, mechanics liens, mining claims, and water rights. The Program Lender instructs the escrow/title company in the escrow instructions what may show on the policy, the amount of insurance on the policy (all liens should be covered), and the loss payee (each lender should be listed as a loss payee and receive an original ALTA policy).

10.0. SUBORDINATE FINANCING

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

11.0. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

The Sponsor may make amendments to these Participation Guidelines. Any changes shall be made in accordance with regulations and approved by the Sponsor's HOME Program Representative or Program Manager, and approved by the Town Council.

11.1. DEFINITION OF EXCEPTION

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

11.2. PROCEDURES FOR EXCEPTIONAL CIRCUMSTANCES

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

presented to the Sponsor's loan committee and/or governing body for a decision.

- C. Note: such exceptions may not directly or indirectly discriminate against protected classes under all current federal fair housing law and state statutes and regulations.

12.0. DISPUTE RESOLUTION AND APPEALS PROCEDURE

Any applicant denied assistance from the Program has the right to appeal. Complaints concerning the Program should be made to the Program Operator first. If unresolved in this manner, the complaint or appeal must be made in writing and filed with the Sponsor. The Sponsor will then schedule a meeting with the Loan Review Committee. Their written response will be made within thirty (30) working days. If the applicant is not satisfied with the Committee's decision, a request for an appeal may be filed with the Sponsor's governing body. Final appeal must be filed in writing with HCD within one year after denial.

ATTACHMENT A

Income Inclusions and Exclusions

The Program Operator shall access the current federal income determination regulations online at <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-F/subject-group-ECFR174c6349abd095d/section-5.609>, regarding income inclusions and exclusions.

ATTACHMENT B

Asset Inclusions and Exclusions

The Program Operator shall access the current federal income determination regulations at <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-F/section-5.603> regarding the definition of Net family assets, to which the regulations at section 5.609 refer.

ATTACHMENT C

HOME HOMEOWNERSHIP VALUE LIMITS FOR BUTTE COUNTY* (Limits effective 9/1/2024)

EXISTING CONSTRUCTION	NEW CONSTRUCTION (less than 12 months old)
\$375,000	\$392,000



HOME MAXIMUM PER-UNIT SUBSIDY LIMITS FOR CALIFORNIA (Limits effective 2/13/2024)

O-BDR	1-BDR	2-BDR	3-BDR	4-BDR
\$181,488	\$208,049	\$252,994	\$327,293	\$359,263

HOME INCOME LIMITS FOR BUTTE COUNTY* (Limits effective 6/1/2025)

<i>Number of Persons in Household</i>								
	1	2	3	4	5	6	7	8
80% of AMI	\$52,600	\$60,100	\$67,600	\$75,100	\$81,150	\$87,150	\$93,150	\$99,150

*Sponsor will insert these limits for the county in which the Program is located and will update the limits annually as HCD provides new information. The link to the official, HCD-maintained Value, Subsidy, and income limits is: [State and Federal Income, Rent, and Loan/Value Limits | California Department of Housing and Community Development](#) (for HOME limits, choose “CDBG, HOME and NHTF/HHC Article I - Income, Value, Subsidy and Rent Limits”).

ATTACHMENT D

LOAN SERVICING POLICIES AND PROCEDURES FOR TOWN OF PARADISE

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

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

1. Loan Repayments:

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

Program loan payments, and loan payoffs, shall be made to:

Town of Paradise
Address
City, State, Zip

2. Payment of Property Taxes and Insurance:

As part of keeping the loan from going into default, borrower must maintain property insurance coverage naming the Lender as loss payee.

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

Property taxes must be kept current during the term of the loan. The Lender requires

Borrower to have impound accounts set up with their first mortgagee wherein they pay their taxes and insurance as part of their monthly mortgage payment.

3. Required Request for Notice of Default:

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

4. Annual Occupancy Restrictions and Certifications:

On owner-occupant loans, the Lender will require that Borrowers submit utility bills and/or other documentation annually to prove occupancy during the term of the loan. Annual occupancy verification will occur [between 1 and 15 of January each year for the term of the loan].

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

In all cases where there is a change in title, occupancy, and/or use, the Borrower must notify the Lender in writing of the change.

If a transfer of the property occurs through inheritance, the heir (as owner-occupant) may be provided the opportunity to assume the loan, provided the heir is income eligible. If the heir intends to occupy the property and is not low-income, the balance of the loan is due and payable.

If the owner moves out and converts the owner-occupied unit into a rental unit before the end of the HOME Affordability Period, the loan is due in full, unless the owner moves back in immediately.

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

6. Requests for Subordinations:

When a Borrower wishes to refinance their existing first mortgage, they must submit a subordination request to the Program Lender. Approved refinancing of senior debt will be limited by the Department to circumstances in which the original homebuyer is securing more favorable terms that reduce monthly housing costs, or if sufficient equity exists, to take cash out for only items such as for immediate repairs to the property to correct identified health and safety violations.

There can be no third-party debt payoffs or additional encumbrances on the property. The total indebtedness on the property should not exceed the current market value, except when the borrower is obtaining a federally-sponsored refinance program loan. If said loan is approved and meets all other requirements, Combined Loan-To-Value will not be considered when reviewing the subordination request.

Also, the loan must:

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

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

7. Process for Loan Foreclosure:

Upon any condition of loan default, such as non-payment, lack of insurance or property tax payment, change in title or use without approval, or default on senior loans, the Lender will send out a letter to the Borrower notifying them of the default status. If the default status continues, the Lender may start the formal process of foreclosure.

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

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

If the Lender decides to reinstate, the senior lienholder will accept the amount to reinstate the loan until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Lender fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder will then require a full payoff of the balance, plus related foreclosure administrative costs, to cancel foreclosure. If the Lender determines the reinstatement and maintenance of the property is not cost effective and allows the senior lienholder to complete foreclosure, the Lender's lien may be released once net available proceeds are received, if any.

Lender as Senior Lienholder

When the Lender is first position as a senior lienholder, active collection efforts will begin on any loan that is 31 or more days past official notice that the loan is due and payable in full. Attempts will be made to assist the homeowner in regaining compliance with loan terms. These attempts will be conveyed in an increasingly urgent manner until compliance is met or the loan is 90 days in arrears, at which time the Lender may consider foreclosure. Lender's staff will consider the following factors before initiating foreclosure:

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

If the balance is more than the cost of foreclosure (including but not limited to insurance, property taxes, hazard mitigation, property maintenance and security, legal fees, and

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

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

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

ATTACHMENT F

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

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

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

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

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

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

_____. If you have any questions about this matter, please contact _____ at _____.

Sincerely,

Title

Buyer

Date

Buyer

Date

Form continues on next page with Seller's Acknowledgment

Disclosure to Seller with Voluntary, Arm's Length Purchase Offer
(Page 2)

Acknowledgement

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

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

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

I/we hereby certify that I have read and understand this "Declaration" and:

☐ a copy of said Notice was given to me prior to the offer to purchase.

If received after presentation of the purchase offer, I/We choose:

☐ to withdraw, or ☐ not to withdraw, from the Purchase Agreement.

Seller

Date

Seller

Date

ATTACHMENT I

Homebuyer Program

ATTACHMENT J:

STANDARD CONTRACT LANGUAGE: ALL CONTRACTS AND SUBCONTRACTS

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

- d) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be a condition of the federal financial assistance provided to the project, binding upon the Grantee, its successors and assigns. Failure to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

4. Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more

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

5. State Nondiscrimination Clause:

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

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

6. Labor Standards –Federal Labor Standards Provisions

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

Davis-Bacon Act (40 USC 276a-276a-5) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of Federal

wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over \$2,000.

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

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

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



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 2(e)

ORIGINATED BY: Sarah Richter, Housing Program Coordinator
REVIEWED BY: James Goodwin, Town Manager
SUBJECT: Program guidelines for the HOME Investment Partnerships Program (HOME) First-Time Homebuyer Program Guidelines

LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Adopt Resolution No. 2025-____ “A resolution of the Town Council of the Town of Paradise amending and updating the HOME Investment Partnerships Program (HOME) First-Time Homebuyer Program Guidelines, previously adopted by resolution 2022-33.”

Background:

The Town of Paradise has offered down payment assistance to first-time homebuyers through various grant sources since 1995. One of the sources is the HOME program income funds. Program income are HOME loans that were made to residents in the past but have since been paid back. The funds have not been available for the First-Time Home Buyer program since 2022 when HCD was suspended by HUD.

In order to resume the Town’s HOME First-Time Homebuyer program, the Town needs to amend and adopt updated program guidelines. While similar to the HOME Infill New Construction for First-Time Homebuyers program guidelines, these guidelines are for down payment assistance for acquisition only.

Previous versions of the program included lot-acquisition with rehabilitation, which were funds to make necessary repairs to the home being purchased. These guidelines no longer include rehabilitation as part of the first-time homebuyer program.

Analysis:

The Town of Paradise is able to assist first-time homebuyers purchase move-in ready homes in town by offering a “silent second” home loan. The loan is deferred for 30 years, with a 1% simple interest rate for the first ten years only. Because monthly payments aren’t required on the Town’s loan, the buyer is able to purchase a modest home with a monthly payment that is between 25-35% of their income. The loan is due at the end of 30 years, but most loans are repaid when the homeowner sells the home, refinances the first mortgage, or passes away.

The biggest change to the HOME program guidelines is the “period of affordability,” which is the period of time the home needs to be owner-occupied. The period of affordability is based on the

loan amount and ranges from 5 to 15 years. After the period of affordability expires, there is no requirement for the home to remain the owner-occupied. The period of affordability also ends when the home is sold or title is otherwise transferred, but not if the loan is refinanced.

Another notable change to the program is the adoption of updated income calculation guidelines. How Housing staff calculates a household's income and assets to determine if they are eligible for the Town's housing programs is governed by 24 CFR 5.609 and 24 CFR 5.603, which underwent substantial changes in 2024.

Adoption of the amended program guidelines is required in order for the Town to resume participation in the HCD HOME program. It will enable the Town to continue to offer mortgage assistance to first-time home buyers using the Town's HOME program income funds. Having too much program income limits the Town's ability to qualify for future grants, should the HOME program continue to receive funding from HCD.

Financial Impact:

None.

**TOWN OF PARADISE
RESOLUTION NO. 2025-_____**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE AMENDING AND
UPDATING THE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FIRST-TIME
HOME BUYER PROGRAM GUIDELINES, PREVIOUSLY ADOPTED BY RESOLUTION 2022-33**

WHEREAS, the Paradise Town Council adopted Resolution 2022-33, "A resolution of the Town Council of the Town of Paradise rescinding resolution 2022-01 and adopting the new HOME and CDBG Homebuyer Acquisition only/Acquisition with rehabilitation programs guidelines; and

WHEREAS, the Paradise Town Council now desires to rescind Resolution 2022-33 and adopt Resolution No. 2025-_____, "A resolution of the Town Council of the Town of Paradise amending and updating the HOME Investment Partnerships Program (HOME) First-Time Home Buyer Program Guidelines, previously adopted by resolution 2022-33."

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Paradise as follows:

1. The Town hereby amends and updates the HOME Investment Partnerships Programs (HOME) First-Time Home Buyer Program Guidelines.
2. This resolution is effective immediately upon adoption.

PASSED AND ADOPTED, by the Town Council of the Town of Paradise on the 12th day of August, 2025.

AYES:
NOES
ABSENT
ABSTANT:

Steve Crowder, Mayor

ATTEST:

Melanie Elvis, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney

Town of Paradise

HOME Investment Partnerships Program (HOME)

First-Time Homebuyer Program Guidelines

Serving the Town of Paradise



FIRST-TIME HOMEBUYER PROGRAM GUIDELINES

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HOME PROGRAM FIRST-TIME HOMEBUYER PROGRAM GUIDELINES

1.0. GENERAL

The above-named entity, hereinafter referred to as the “Sponsor” or “Lender,” has entered into a contractual relationship with the California Department of Housing and Community Development (“HCD”) to administer a HOME First-Time Homebuyer program. The homebuyer program described herein (the “Program”) is designed to assist eligible homebuyers in purchasing homes, also referred to herein as “housing units”, located within the Program’s eligible area, as described in Section 3.1.A. The Program provides this assistance in the form of a 30+ year deferred payment “silent” junior priority loan as “Gap” financing toward the purchase price and closing costs of an affordable housing unit that will be occupied by the homebuyers as their primary residence during the HOME Affordability Period. The Program will be administered by Town of Paradise, (the “Program Operator”).

1.1. PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to ensure nondiscriminatory treatment, outreach, and access to the Program. No person shall, on the grounds of race, color, ancestry, national origin, citizenship, immigration status, primary language, religion, disability (mental or physical), sex and gender, sexual orientation, gender identity, gender expression, genetic information, marital status, familial status (families with children under 18 or people who are pregnant), source of income, military or veteran status, or age be excluded, denied benefits, or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with disabilities, have access to the Program and will take steps to ensure effective communication with and marketing to applicants, residents, and members of the public with disabilities.

- A. The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Affirmative marketing efforts will be based upon a comparison (census data will be used) of the Program’s eligible area compared to the demographic characteristics of the population served by the Program. This includes tracking separately all applications, including subsets for those which result in denial of assistance or withdrawal, and for those which result in assistance), and an explanation and analysis of any underserved segments of the population. This information is used to show that protected classes (listed above) are not being intentionally or unintentionally excluded from the Program. Flyers or other outreach materials, in English and any other languages that are the primary languages of a significant portion of the area’s residents, in accordance with Sponsor’s Limited English Proficiency (LEP) Plan, or equivalent, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homebuyer seminars to help educate homebuyers about the homebuying process and future responsibilities.

- B. The Program Operator will market the Program to local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be invited to have their customers participate in the Program.
- C. The following statement will be included in all outreach and marketing materials: Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds.
- D. The Sponsor will ensure that all Personally-Identifiable Information remains confidential and is properly protected.

1.2. APPLICATION PROCESS AND SELECTION

- A. Interested buyers work with a Town-certified lender of their choice to obtain a pre-approval letter. The lender sends a copy of the interested buyer's pre-approval letter and an interest form to Town housing staff. The Town reviews the information and gets the interested buyer an application. Once returned, the application is reviewed and a pre-approval letter from the Town is issued. Final approval is contingent upon third party verification of all assets and income, completion of required Homebuyer education and counseling, entering a purchase contract for a qualified home, and the availability of funds. If funds are not available, the interested buyer is placed on a waiting list and contacted when funding becomes available.
- B. Each applicant must participate in individual Homebuyer Counseling consistent with the requirements in Section 1.5 of these Program Guidelines.
- C. When an applicant enters a purchase contract and submits the accepted contract to the Town, Town Housing staff has the applicant update their application if necessary and complete third-party verification of all assets and income. Housing staff will verify that the first lender's PITI and total debt payments meet the Town's front and back-end debt to income ratio requirements. The buyer has 90 days from verification of income eligibility to close escrow.

1.3. THE HOME PURCHASE PROCESS

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

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

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

OTHER HOUSEHOLD DEBT SERVICE

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

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

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

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

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

- 1) Homebuyer has no power of eminent domain and, therefore, will not acquire the property if negotiations fail to result in an amicable agreement;
- 2) Homebuyer's offer is an estimate of the fair market value of the housing unit, to be finally determined by a state-licensed appraiser;
- 3) The housing unit will be subject to inspection. In accordance with 24 CFR section 92.251(c), the housing unit must be decent, safe, sanitary, and in good repair. The standards must provide that the housing meets all applicable State and local housing quality standards and code

- requirements and the housing does not contain the specific deficiencies established by HUD based on the applicable standards in 24 CFR section 5.703 and published in the Federal Register for HOME assisted projects and units;
- 4) All housing units built prior to January 1, 1978, will require a lead paint disclosure to be signed by both the homebuyer and Seller (Attachment E);
 - 5) Since the sale is voluntary, seller is not eligible for relocation payments or other relocation assistance;
 - 6) Seller understands that the housing unit must be either: currently owner-occupied, newly constructed, bought by the current tenant, or vacant for three months prior to submission of the purchase offer;
 - 7) If the seller is not provided with a statement of the above six provisions prior to or with the purchase offer, the seller may withdraw from the agreement after this information is provided.
- C. Applicant submits an executed Standard Form Purchase and Sale Agreement, along with a primary lender pre-qualification letter to Program Operator. The purchase and sale agreement will be contingent on the household and housing unit meeting Program eligibility requirements and receiving Program loan approval. Program Operator verifies applicant eligibility, housing unit and loan eligibility and amount of assistance to be provided consistent with these guidelines.
- D. Program Operator conducts an Environmental Review in accordance with 24 CFR Part 58, and Sponsor's NEPA Certifying Officer signs the appropriate form before any commitment of funds are made to the homebuyer. An acquisition cannot and must not include rehabilitation immediately after transfer of title, and requires completion of a HUD CENST form from the [Environmental Review - HUD Exchange](#) webpage.
- E. Program Operator, where Program Operator is not the Sponsor, submits recommendation to the Sponsor for approval or denial, including the reasons for the recommendation. Sponsor determines Applicant's approval or denial and instructs Program Operator to notify Applicant. Program Operator provides written notification to Applicant of approval or denial with reason and, if denied, a copy of the Program's appeal procedures. See Section 11 of these Program Guidelines.
- F. When primary lender requirements are met, Program funds are deposited into escrow, with required closing instructions and loan documents.
- G. At the time of escrow closing, the Sponsor shall be named as an additional loss payee on fire, flood (if required), and extended coverage insurance for the length of the loan and in an amount sufficient to cover all encumbrances or full replacement cost of the housing unit. A policy of Title Insurance naming the Sponsor as insured is also required.

1.4. HOMEBUYER COSTS

- A. Eligible households must document that they have the funds necessary for down payment and closing costs as required by the primary lender and the Sponsor. The Program's down payment requirement (below) is in place even if the primary lender has a lower down payment requirement. If the primary lender has a higher down payment requirement, there is no additional down payment requirement required by the Program.
- B. The Town of Paradise requires the homebuyer to contribute a minimum of 2% of sales price of home as a down payment. These funds can be gifted from a relative and if the household is participating in a self-help build, their hours worked can satisfy the 2% contribution.
- C. Sponsor will provide a subsidy that is no greater than the applicable HOME Maximum Per-Unit Subsidy Limit for the State of California. The subsidy will reduce the amount of the primary lender's loan so that the payments of principal, interest, taxes, insurance, and mortgage insurance and HOA dues, if any, are within approximately 25% to 35% of the household's gross monthly household income. In addition, the borrower's total debt must be within the ranges in Section 5.0. of these Program Guidelines.
- D. The Program Operator will determine the level of subsidy and affordability during underwriting of the Program's loan to make sure that it conforms to the requirements of the HCD funding Program.

1.5. HOMEBUYER EDUCATION

All Program participants are required to receive housing counseling prior to Program approval, delivered by a HUD-certified housing counselor who works for an organization certified by HUD to perform housing counseling. The Program Operator will provide the homebuyer with the needed counselor information. A list of such counseling entities is available at:

https://hud4.my.site.com/housingcounseling/s/?language=en_US.

A copy of the applicant's certificate of completion must be placed into the homebuyer file maintained by the Program Operator. In addition, the Program Operator must include evidence that the counseling provider was HUD-certified when the counseling certification was issued.

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

Housing Counseling defined: Housing counseling is independent, expert advice customized to the need of the consumer to address the consumer's housing barriers and to help achieve their housing goals and must include the following processes: Intake; financial and housing affordability analysis; an action plan, and a reasonable effort to have follow-up communication with the client when possible. The content and

process of housing counseling must meet the standards outlined in 24 CFR Part 214, which include:

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

1.6. CONFLICT OF INTEREST REQUIREMENTS

The applicable Conflict of Interest requirements of 24 CFR section 92.356 of the HOME Final Rule shall be followed for HOME assistance, as follows:

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

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

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

1.7. NON-DISCRIMINATION REQUIREMENTS

The Program will be implemented in ways consistent with the Sponsor's commitment to non-discrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any program or activity funded in whole or in part with State or federal funds on the basis of race, color, ancestry, national origin, citizenship, immigration status, primary language, religion, disability

(mental or physical), sex and gender, sexual orientation, gender identity, gender expression, genetic information, marital status, familial status (families with children under 18 or people who are pregnant), source of income, military or veteran status, or age.

2.0 APPLICANT QUALIFICATIONS

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

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

(See Attachment C for current income limits).

Household: Means one or more persons who will occupy a housing unit. Unborn children **don't count** in family size determination.

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

2.2. INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the HCD-published HUD income limits. The annual income definition found at 24 CFR Part 5, as detailed in the most recent HCD program-specific guidance at <https://www.hcd.ca.gov/grants-and-funding/income-limits/income-calculation-and-determination-guide>, will be used to independently determine and certify the household's annual gross income. The Program Operator should compare this annual gross income to the income the primary lender used when qualifying the household. The primary lender is usually underwriting to FHA or conventional guidelines and may not calculate the household income or assets in the same way as required by the Program. Income will be verified by examining at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) and six months of checking statements for the household. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

A. HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all adult household members that is projected to be received during the coming 12-month period and will be used to determine program eligibility. For those types of income counted, gross amounts (before any deductions have been taken) are used. The income of live-in aides and the earned income of minors are not included in annual gross income calculations. Certain other household members living apart from the household also require special consideration. The household's

projected income must be used, rather than past earnings, when calculating income.

See Attachment A: Income Inclusions and Exclusions

B. ASSETS:

There is no asset limitation for participation in the Program. Income, or imputed income from assets over \$50,000 (a figure that is annually adjusted for inflation by HUD), however, is recognized as part of annual income under the 24 CFR Part 5 regulations (included as Attachments A and B). An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. *(Note: it is the income earned – e.g., interest on a savings account – or in some cases imputed income, not the asset value, which is counted in annual income.)*

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

See Attachment B: Asset Inclusions and Exclusions

2.3. DEFINITION OF AN ELIGIBLE HOMEBUYER

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

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

1. a displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family;
2. a single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; or

3. an individual or individuals who owns or owned, as a principal residence during the three-year period before the purchase of a home with assistance, a dwelling unit whose structure is:
 - a. not permanently affixed to a permanent foundation in accordance with local or state regulations; or
 - b. not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

3.0. HOUSING UNIT ELIGIBILITY

3.1. LOCATION AND CHARACTERISTICS

- A. Housing units to be purchased must be located within the eligible area. The eligible area is described as follows: "Within the Town of Paradise."
- B. Housing unit types eligible for the Homebuyer Program are new or previously-owned single-family residences; condominiums; or manufactured homes in common-interest developments or on a single-family lot and placed on a permanent foundation system. HOME does not allow manufactured homes unless on a permanent foundation system.
- C. All housing units must be in compliance with property standards in Section 1.3.B.3 of these Program Guidelines.
- D. Housing units located within a 100-year flood zone will be required to provide proof of flood insurance with an endorsement naming the Town of Paradise as loss payee in order to close escrow.
- E. Housing must be "modest", in accordance with the federal HOME regulations at 24 CFR section 92.254(a)(2).

3.2. CONDITIONS

- A. Construction Inspection and Determining Need for Repairs.

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

- 1) When the Sponsor's Program utilizes Federal funds and if the housing unit was constructed prior to 1978 then the lead-based paint requirements of Section 3.2.C will apply.

The Program Operator is responsible to ensure that a certified housing inspector walks through the housing unit, determines if it is structurally sound, and identifies any code-related and health and safety deficiencies that need to be corrected. A list of necessary repair items will be given to the homebuyers and their Realtor to present to the seller's agent.

If there are one or more health and safety deficiencies, and/or violations of applicable building codes noted in the written report, the Sponsor will approve the subsidy only if prior to close of escrow, and seller agrees to have necessary repairs made to the dwelling unit prior to transfer of property ownership, at the seller's expense.

Upon completion of all work required by the Program Operator, Sponsor, appraiser, pest inspector and/or certified housing inspector, a final inspection will be conducted prior to close of escrow. The inspector will sign off on all required construction work assuring that each housing unit receiving Program assistance complies with Section 1.3.B.3. requirements of these Program Guidelines that the unit is decent, safe, sanitary, and in good repair, and that it meets all applicable State and local housing quality standards and code requirements and does not contain the specific deficiencies established by HUD based on the applicable standards in 24 CFR section 5.703 and published in the Federal Register for HOME-assisted projects and units, at the time of purchase and prior to occupancy.

- 2) Only new construction and homes built within the previous 12 months and not previously occupied are not subject to a home inspection.

- B. Per 24 CFR section 92.214(a)(6), no additional HOME assistance, including rehabilitation funds, may be provided after the 1-year anniversary of the filing of the Project Completion Report through the end of the HOME Affordability Period. The HOME Affordability Period is as follows (amount does not include Activity Delivery and Administration Costs paid to the State Recipient by HCD):

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

During the HOME Affordability Period, the home must remain occupied by the borrower or an eligible heir, as their primary residence, or else all HOME assistance becomes due and payable.

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

- D. The following requirements must be met:

- 1) **Notification**: a) Prior to homebuyer's obligation to purchase a home built prior to 1978, the Buyer will be given the most recent copy of and asked to read the EPA pamphlet "*Protect Your Family From Lead in Your Home*".

(EPA 747-K-94-001). A signed receipt of the pamphlet will be kept in the Sponsor's homebuyer file; b) A notice to residents is required following a risk assessment/inspection using form DHS 8552, which is provided by the DHS-certified Risk Assessor/Inspector; c) a notice to residents is required following lead-based paint mitigation work using Visual Assessment and Lead-based Paint Notice of Presumption and Hazard Reduction form, LBP – 1 (Attachment H).

- 2) **Disclosure:** Prior to the homebuyer's obligation to purchase a home built prior to 1978, the HUD disclosure (Attachment E), "Seller's Lead-based Paint Disclosure" notice must be provided by the seller to the homebuyer.
 - 3) **Inspections:** The Inspector shall conduct a "Visual Assessment" of all the dwelling unit's painted surfaces to identify deteriorated paint. All deteriorated paint will be stabilized in accordance with CFR 35.1330 (a) and (b); and a Clearance shall be made in accordance with CFR 35.1340.
 - 4) **Mitigation:** If stabilization is required, the contractor performing the mitigation work must use appropriately-trained workers. Prior to the contractor starting mitigation work, the Program Operator shall obtain copies of the contractor's and workers' appropriate proof of LBP training, as applicable to the job, to assure that only qualified contractors and workers are allowed to perform the mitigation.
- E. The Program Operator will: 1) confirm that the housing unit is within the eligible area, 2) will review each proposed housing unit to ensure that it meets all eligibility criteria before funding, and 3) ensure a completed Lead Compliance Document Checklist is placed in each purchaser's file (see Attachment I).
- F. Environmental Review: Program Operator conducts an Environmental Review in accordance with 24 CFR Part 58, and Sponsor's NEPA Certifying Officer signs the appropriate form before any commitment of funds are made to the homebuyer. An acquisition must not include rehabilitation immediately after transfer of title, and requires completion of a HUD CENST form from the [Environmental Review - HUD Exchange](#) webpage.

3.3. ANTI-DISPLACEMENT POLICY AND RELOCATION ASSISTANCE

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

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

The federal URA and Real Property Acquisition Policies Act of 1970, as amended, contains requirements for carrying out real property acquisition or the displacement of a person, regardless of income status, for a project or program for which HUD financial assistance (including HOME) is provided. Requirements governing real property acquisition are described in HUD's [CPD Handbook 1378.0](#). The implementing regulations, 49 CFR Part 24, require developers and owners to take certain steps regarding tenants of housing to be acquired, rehabilitated, or demolished, including tenants who will not be relocated even temporarily.

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

Section 104(d) requires each contractor (CHDO or State Recipient), as a condition of receiving assistance under HOME, to certify that it is following a residential anti-displacement plan and relocation assistance plan. Section 104(d) also requires relocation benefits to be provided to low-income persons who are physically displaced or economically displaced as the result of a HOME-assisted project, and requires the replacement of low-income housing, which is demolished or converted. The implementing regulations for Section 104(d) can be found in 24 CFR Part 42, subpart (C).

3.4. PROPER NOTIFICATION AND DISCLOSURES

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

4.0. PURCHASE PRICE LIMITS

The purchase price limits for this Program shall not exceed the HOME Homeownership Value Limit for the Sponsor's County as updated by HCD, or a temporary waiver limit approved by HUD and the Department.

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

5.0. THE PRIMARY LOAN

Prior to obtaining a loan from the Sponsor, a homebuyer must provide evidence of approval for the maximum amount the primary lender is willing to loan (the "primary loan"), although the Program may limit the primary loan amount based on the debt-

to-income ratio maximums herein. A buyer does not need a loan from a primary lender if they are purchasing with cash on hand and their housing costs meet the required front and back-end debt ratios without a first mortgage.

A. QUALIFYING RATIOS

The front-end (housing) debt-to-income ratio shall be between 25% and 35% and is the percentage of a borrower's gross monthly income (before deductions) that would cover the cost of the loan principal and interest payment, property taxes, property insurance, and mortgage insurance and HOA dues, if any.

The back-end (total) debt-to-income ratio shall be no more than 45% and is the percentage of a borrower's gross monthly income that would cover the cost of housing as described in the paragraph above, plus any other monthly debt payments like auto or personal loans, credit card debt, and student debt, as well as child support and alimony payments.

Exceptions to these maximums must be documented and placed into each loan file, to demonstrate compensating factors.

The Program Operator must complete the HOME Subsidy Calculation Worksheet and place it into the loan file to document that the HOME assistance amount was appropriate, based on compliance with the debt ratio ranges in the two preceding paragraphs of this subsection. The Worksheet is currently accessible on the HOME webpage at:

https://www.hcd.ca.gov/grants-funding/grants-forms/docs/HOME_FTHB_Subsidy_Calculation_Worksheet_June_2013_Version.xls.

B. INTEREST RATE

The primary loan must have a fixed interest rate that does not exceed, by greater than one percent, the Freddie Mac 30-year Fixed Rate Mortgage rate at <https://www.freddiemac.com/pmms>.

The applicable Freddie Mac rate should be from the date the primary mortgage rate was locked, or else the date of HOME loan approval. No temporary interest rate buy-downs are permitted. The loan file must contain this documentation for Department monitoring purposes.

C. LOAN TYPE AND TERM

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

D. IMPOUND ACCOUNT

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

6.0. THE PROGRAM LOAN

A. MAXIMUM AMOUNT OF PROGRAM ASSISTANCE

For HOME, the amount of Program assistance to a homebuyer toward purchase of a home shall not exceed the HOME Maximum Per-Unit Subsidy Limits (“Subsidy Limits”) for the State of California. See Attachment C of these Program Guidelines for current Subsidy Limits. Any approved “grant” amount for lead-based paint evaluation and reduction activities or for relocation assistance shall be included in the Subsidy Limits evaluation, as shall Activity Delivery Costs.

B. NON-RECURRING CLOSING COSTS

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

C. AFFORDABILITY PARAMETERS FOR HOMEBUYERS

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

D. RATE AND TERMS FOR PROGRAM LOAN

All Program assistance to individual households shall be made in the form of a deferred payment (of principal and interest) loan (DPL).
The Program loan’s term shall be for 30 years.

The Program loan’s interest rate shall be 1% simple interest for the first 10 years only.

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

E. COMBINED LOAN-TO-VALUE RATIO

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

7.0. PROGRAM LOAN REPAYMENT (HOME RECAPTURE TERMS)

Recapture of Entire Direct Subsidy

The Program Lender recaptures the entire amount of the direct HOME subsidy provided to the homebuyer, plus any interest due according to the terms of the HOME Promissory Note, before the homebuyer receives a return. The recapture amount is limited to the net proceeds available from the sale or foreclosure.

In cases where there is appreciation, (see definition of Appreciation), the homebuyer would retain any net proceeds exceeding the direct HOME assistance plus interest due that is recaptured.

In some cases, such as in declining housing markets, net proceeds available at the time of sale may be insufficient to recapture the entire direct HOME subsidy plus interest due provided to the homebuyer. Since the HOME Final Rule limits recapture to available net proceeds, the Program Lender can recapture only what is available from net proceeds. In a scenario where recapture provisions state that the entire direct HOME subsidy plus interest will be recaptured, and there are insufficient net proceeds available at sale, the Program Lender is not required to repay to the Department, and the Department is not required to pay back to HUD the difference between the total direct HOME subsidy and the amount available for recapture from net proceeds.

Example: A homebuyer receives \$10,000 of HOME down payment assistance to purchase a home. The direct HOME subsidy to the homebuyer is \$10,000, which results in a five-year Period of Affordability. If the homebuyer sells the home after three years, the grantee or state would recapture, assuming that there are sufficient net proceeds, the entire \$10,000 direct HOME subsidy plus any interest due according to the terms of the HOME Promissory Note. The homebuyer would receive any net proceeds in excess of that amount.

7.1. PAYMENTS ARE VOLUNTARY

Borrowers may begin making voluntary payments at any time, without penalty. Payments will be applied to principal, thus reducing accrual of simple interest.

7.2. RECEIVING LOAN PAYMENTS

A. Voluntary Program loan payments, and loan payoffs, shall be made to:

Town of Paradise
5555 Skyway
Paradise, CA, 95969

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

7.3. DUE UPON SALE OR TRANSFER

If the household sells, transfers title, or discontinues principal residency in the purchased property during the HOME Affordability Period for any reason, the loan is immediately due and payable pursuant to the Recapture (loan repayment) terms in the HOME Loan Agreement.

Notwithstanding the foregoing, if the owner and only member of the household of the property dies, even after the HOME Affordability Period expires, an heir from outside the household may assume the HOME loan at the same rate and terms, if the heir's household meets each of the following requirements:

- does not exceed the current HOME income limits; and
- will immediately occupy the home as their principal residence.

During the HOME Affordability Period, if the property owner dies and the heir does not meet these HOME eligibility requirements, the loan is due and payable.

The loan will be in default if the borrower fails to maintain required fire or flood insurance or fails to pay property taxes. See Attachment D on loan defaults for further information on property restrictions.

7.4. LOAN SERVICING POLICIES AND PROCEDURES

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

7.5. LOAN MONITORING PROCEDURES

Sponsor must monitor Borrowers and their homes annually to ensure adherence to Program requirements including, but not limited to, the following:

- A. Owner-occupancy during the Period of Affordability
- B. Property tax payment
- C. Hazard insurance coverage
- D. Good standing on Primary loans

8.0. PROGRAM LOAN UNDERWRITING AND APPROVAL

A. Loan Underwriting

All homebuyers or their representatives shall receive an eligibility packet with all the necessary forms, disclosures, information, and application. The primary lender shall submit copies of the following to the Sponsor: 1) fully-executed property sales contract with proper seller notification; 2) mortgage application with good faith estimates and first mortgage disclosures; 3) full mortgage credit report and rent verification;; and 6) signed underwriting transmittal summary and final signed loan application, both from primary lender. Staff will work with local lenders to ensure qualified participants receive only the benefit from the Sponsor's Program needed to purchase the housing unit and that leveraged funds will be used when possible.

B. Creditworthiness

Applicants must have a minimum credit score of at least 620 and no accounts in collections (exceptions may be made for medical debt). Qualifying ratios are only a rough guideline in determining a potential borrower's creditworthiness. Many factors such as credit history, amount of down payment, and size of loan will influence the decision of the primary lender to approve or disapprove a particular loan. The borrower's credit history will be reviewed by the Sponsor and documentation of such maintained in the loan file. The Sponsor may elect to obtain a credit report or rely on a current copy obtained by the primary lender. The Sponsor must use the information on the credit report for each adult borrower for its calculations of front-end and back-end debt-to-income ratios.

C. Documents from Primary Lender

After initial review of the qualified homebuyer's application packet, the Program Operator will request any additional documents needed. Documents may be e-mailed or submitted in person. Based on receipt and review of the final documents, the Program Operator will complete, sign, and date an income certification (using the most-recent HCD program's guidance on income calculation and determination), and homebuyer certification (review of credit report and income taxes). Documentation of affordability shall then be verified, and a subsidy amount will be determined by the Program Operator.

D. Disclosure of Program and Loan Information to Homebuyers

The Program will inform the borrower of the results of the income determination process, including the permissible range of primary mortgage payments and the maximum purchase price possible. Information on the Program's application will be documented with third-party verifications and/or documents in the file. For example, the sales contract will provide the final purchase price and outline how much of the closing costs are to be paid by the seller, etc. The appraisal, termite, and title reports provide information to substantiate the information in the sales contract and guide the construction

inspection. The Program loan application provides current debt and housing information and will be documented by the credit report and income/asset verifications. The primary lender's approval letter and estimated closing cost statement should reflect all the information in the loan package and show any contingencies of loan funding. Reviewing the primary lender's loan underwriting documentation will provide basic information about the qualification of the applicant and substantiate the affordability provided by the Program loan. By reviewing and cross-checking all the primary lender information, the final Program loan amount approved will fall within the affordability parameters of the Program.

8.1. COMPLETION OF UNDERWRITING AND APPROVAL OF PROGRAM LOAN

Once the loan approval package has been completed, the Program Operator will submit it to the Sponsor for approval. Sponsor will review the request and may approve it with or without conditions. Upon approval, Program funds are provided to the escrow company.

8.2. PRIMARY AND PROGRAM LOAN DOCUMENT SIGNING

The homebuyer(s) sign promissory notes, loan agreements, deeds of trust, and statutory lending notices (Truth In Lending (TIL), etc.); the escrow company submits the signed funding package back to the Program Operator for final review and requests authorization to release funds; the Program Operator ensures all funding conditions have been met before authorizing the release to record. The Deeds of Trust are recorded with the County Clerk/Recorder at the same time, and the request(s) for a copy of Notice of Default are also recorded with the County Clerk/Recorder.

8.3. ESCROW PROCEDURES

The escrow/title company shall review the escrow instructions provided by the Program Lender and shall issue California Land Title Association (CLTA) and American Land Title Association (ALTA) policies to the homebuyer and the Program Lender after closing. The CLTA policy is issued to the homebuyer and protects them against failure of title based on public records and against such unrecorded risks as forgery of a deed. The ALTA policy is issued to each lender providing additional coverage for the physical aspects of the property, as well as the homebuyer's title failure. These aspects include anything which can be determined only through physical inspection, such as correct survey lines, encroachments, mechanics liens, mining claims, and water rights. The Program Lender instructs the escrow/title company in the escrow instructions what may show on the policy, the amount of insurance on the policy (all liens should be covered), and the loss payee (each lender should be listed as a loss payee and receive an original ALTA policy).

9.0. SUBORDINATE FINANCING

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

10.0. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

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

10.1. DEFINITION OF EXCEPTION

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

10.2. PROCEDURES FOR EXCEPTIONAL CIRCUMSTANCES

- A. The Sponsor or its agent may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including the Sponsor's recommended course of action and any written or verbal information supplied by the applicant.
- B. The Sponsor shall make a determination regarding the exception request based on the recommendation of the Program Operator. The request can be presented to the Sponsor's loan committee and/or governing body for a decision.
- C. Note: such exceptions may not directly or indirectly discriminate against protected classes under all current federal fair housing law and state statutes and regulations.

11.0. DISPUTE RESOLUTION AND APPEALS PROCEDURE

Any applicant denied assistance from the Program has the right to appeal. Complaints concerning the Program should be made to the Program Operator first. If unresolved in this manner, the complaint or appeal must be made in writing and filed with the Sponsor. The Sponsor will then schedule a meeting with the Loan Review Committee. Their written response will be made within thirty (30) working days. If the applicant is not satisfied with the Committee's decision, a request for an appeal may be filed with the Sponsor's governing body. Final appeal must be filed in writing with HCD within one year after denial.

ATTACHMENT A

Income Inclusions and Exclusions

The Program Operator shall access the current federal income determination regulations online at <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-F/subject-group-ECFR174c6349abd095d/section-5.609>, regarding income inclusions and exclusions.

ATTACHMENT B

Asset Inclusions and Exclusions

The Program Operator shall access the current federal income determination regulations at <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-F/section-5.603> regarding the definition of Net family assets, to which the regulations at section 5.609 refer.

ATTACHMENT C

HOME HOMEOWNERSHIP VALUE LIMITS FOR BUTTE COUNTY* (Limits effective 9/1/2024C)

EXISTING CONSTRUCTION	NEW CONSTRUCTION (less than 12 months old)
\$375,000	\$392,000

HOME MAXIMUM PER-UNIT SUBSIDY LIMITS FOR CALIFORNIA (Limits effective 2/13/2024)

O-BDR	1-BDR	2-BDR	3-BDR	4-BDR
\$181,488	\$208,049	\$252,994	\$327,293	\$359,263

HOME INCOME LIMITS FOR BUTTE COUNTY* (Limits effective 6/1/2025)

<i>Number of Persons in Household</i>								
	1	2	3	4	5	6	7	8
80% of AMI	\$52,600	\$60,100	\$67,600	\$75,100	\$81,150	\$87,150	\$93,150	\$99,150

*Sponsor will insert these limits for the county in which the Program is located and will update the limits annually as HCD provides new information. The link to the official, HCD-maintained Value, Subsidy, and income limits is: [State and Federal Income, Rent, and Loan/Value Limits | California Department of Housing and Community Development](#) (for HOME limits, choose “CDBG, HOME and NHTF/HHC Article I - Income, Value, Subsidy and Rent Limits”).

ATTACHMENT D

LOAN SERVICING POLICIES AND PROCEDURES FOR TOWN OF PARADISE

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

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

1. Loan Repayments:

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

Program loan payments, and loan payoffs, shall be made to:

Town of Paradise
5555 Skyway
Paradise, CA, 95969

2. Payment of Property Taxes and Insurance:

As part of keeping the loan from going into default, borrower must maintain property insurance coverage naming the Lender as loss payee.

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

Property taxes must be kept current during the term of the loan. The Lender requires Borrower to have impound accounts set up with their first mortgagee wherein they pay their taxes and insurance as part of their monthly mortgage payment.

3. Required Request for Notice of Default:

When the Borrower's loan is in second position behind an existing first mortgage, it is the Lender's policy to prepare and record a "Request for Notice of Default" for each senior lien

in front of Lender's loan. This document requires any senior lienholder listed in the notice to notify the Lender of initiation of a foreclosure action. The Lender will then contact the Borrower and assist them in bringing the first loan current, if possible. The Lender can also monitor the foreclosure process and go through the necessary analysis to determine if the loan can be made whole or preserved. When the Lender is in a third position and receives notification of foreclosure from only one senior lienholder, it is in their best interest to contact any other senior lienholders regarding the status of their loans.

4. Annual Occupancy Restrictions and Certifications:

On owner-occupant loans, the Lender will require that Borrowers submit utility bills and/or other documentation annually to prove occupancy during the term of the loan. Annual occupancy verification will occur **in January each year for the term of the loan.**

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

In all cases where there is a change in title, occupancy, and/or use, the Borrower must notify the Lender in writing of the change.

If a transfer of the property occurs through inheritance, the heir (as owner-occupant) may be provided the opportunity to assume the loan, provided the heir is income eligible. If the heir intends to occupy the property and is not low-income, the balance of the loan is due and payable.

If the owner moves out and converts the owner-occupied unit into a rental unit before the end of the HOME Affordability Period, the loan is due in full, unless the owner moves back in immediately.

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

6. Requests for Subordinations:

When a Borrower wishes to refinance their existing first mortgage, they must submit a subordination request to the Program Lender. Approved refinancing of senior debt will be limited by the Department to circumstances in which the original homebuyer is securing more favorable terms that reduce monthly housing costs, or if sufficient equity exists, to take cash out for only items such as for immediate repairs to the property to correct identified health and safety violations.

There can be no third-party debt payoffs or additional encumbrances on the property. The total indebtedness on the property should not exceed the current market value, except when the borrower is obtaining a federally-sponsored refinance program loan. If said loan is approved and meets all other requirements, Combined Loan-To-Value will not be considered when reviewing the subordination request.

Also, the loan must:

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

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

7. Process for Loan Foreclosure:

Upon any condition of loan default, such as non-payment, lack of insurance or property tax payment, change in title or use without approval, or default on senior loans, the Lender will send out a letter to the Borrower notifying them of the default status. If the default status continues, the Lender may start the formal process of foreclosure.

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

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

If the Lender decides to reinstate, the senior lienholder will accept the amount to reinstate the loan until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Lender fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder will then require a full payoff of the balance, plus related foreclosure administrative costs, to cancel foreclosure. If the Lender determines the reinstatement and maintenance of the property is not cost effective and allows the senior lienholder to complete foreclosure, the Lender's lien may be released once net available proceeds are received, if any.

Lender as Senior Lienholder

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

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

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

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

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

ATTACHMENT E
SELLER'S LEAD-BASED PAINT DISCLOSURE
Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

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

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) _____ Seller has provided the purchaser with all available records and reports pertaining to Lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet Protect Your Family from Lead in Your Home.

(e) _____ Purchaser has received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

Agent's Acknowledgment (initial)

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

Certification of Accuracy

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

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

ATTACHMENT F

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

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

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

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

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

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

_____. If you have any questions about this matter, please contact _____ at _____.

Sincerely,

Title

Buyer

Date

Buyer

Date

Form continues on next page with Seller's Acknowledgment

Acknowledgement

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

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

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

***I/we hereby certify that I have read and understand this “Declaration” and:
☐ a copy of said Notice was given to me prior to the offer to purchase.***

***If received after presentation of the purchase offer, I/We choose:
☐ to withdraw, or ☐ not to withdraw, from the Purchase Agreement.***

Seller

Date

Seller

Date

ATTACHMENT G
TOWN OF PARADISE

INSTRUCTIONS TO HOMEBUYER

- A. Participant works with lender of choice to obtain the primary lender's pre-qualification letter.
- B. Program Operator reviews paperwork to determine program eligibility and financing affordability for participant.
- C. Program Operator staff meets with qualified applicant to provide information relative to the program requirements, the lending process, and homeownership responsibilities.
- D. After consultation with Program Operator regarding approved bedroom and bathroom maximums, if any, and HOME Value Limit, participant works with real estate agent to select home. Program disclosures are reviewed with agent for presentation to seller. The HOME Program allows only homes vacant for three months or more prior to the date of the purchase offer, unless the current tenant is purchasing the home or the seller has been the only occupant during those three months, to prevent displacement of rental occupants.
- E. Participant selects home and enters into a purchase contract, contingent upon receiving Program loan approval and achieving Environmental Review clearance (see Section 1.3.D). Primary lender provides the Program Operator with a copy of:
 - real estate sales contract, including all addendums and counteroffers, all fully-executed
 - residential loan application and credit report
 - verified income documentation
 - disclosure statement
 - proof of personal funds for participation in program
 - breakdown of closing costs
 - structural pest control clearance
 - appraisal with photos and preliminary title report
- F. Program Operator has home inspected to document health & safety and code compliance. Notice of any deficiencies or needed corrections are given to participant's real estate agent, with recommended course of action. Only new construction and homes built within the previous 12 months and not previously occupied are exempt from the home inspection requirement.
- G. Program Operator requests loan approval from Sponsor's Loan Review Committee. Following loan approval, Program Operator prepares Deed of Trust, Promissory Note, Request for Notice of Default, Grant Agreement, Owner-Occupant Agreement with the Town of Paradise and Escrow Instructions, and requests check and deposits same into escrow.
- H. Escrow company furnishes Program Operator with proof of documents to be recorded, and any escrow closeout information. After receipt of recorded loan documents, Final escrow Settlement Statement, Insurance Loss Payee Certification, and Final Title Insurance Policy, the Program Operator closes out the loan file.

**ATTACHMENT H
LEAD-BASED PAINT
VISUAL ASSESSMENT, NOTICE OF PRESUMPTION, AND HAZARD REDUCTION FORM**

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

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

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

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

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

Section 6: Contact Information		Organization:
Contact Name:		Contact Signature:
Date:	Address:	Phone:

ATTACHMENT I

Homebuyer Program Lead Compliance Document Checklist

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

Document Name	Purpose	✓
Lead Safe Housing Rule Screening Sheet	Documents exemptions	
Physical inspection form (HQS or equivalent)	Documents visual assessment results	
Seller Certification	Seller certifies that paint was stabilized by qualified workers and that safe work practices were followed during paint stabilization	
Clearance Report and Clearance Review Worksheet	Documents that unit passed clearance	
Lead-Based Paint and/or Lead-Based Paint Hazards Disclosure Form DOC_12345.PDF (hud.gov)	Documents that buyer received disclosure and pamphlet.	
Lead Hazard Reduction Notice LSHR-Sample-Notice-of-Lead-Hazard-Reduction.pdf (hudexchange.info)	Documents that buyer received required lead hazard reduction notification.	

This was taken from the HUD Website at:

http://portal.hud.gov/hudportal/documents/huddoc?id=20264_leadcompliance.doc



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item:5(a)

ORIGINATED BY: Susan Hartman, Community Development Director –
Planning & Wastewater

REVIEWED BY: Jim Goodwin, Town Manager

SUBJECT: Consider Introducing an Ordinance Amending Title 17
(Zoning) of the Paradise Municipal Code Relating to the
Animal Keeping Regulations for the AR-3 and AR-5 Zoning
Districts

LONG TERM No

RECOVERY PLAN:

COUNCIL ACTION REQUESTED:

1. Consider concurring with the project “CEQA determination” finding presented and considered by the Planning Commission on June 17, 2025, and embodied within Planning Commission Resolution No 2025-04; and,
2. Waive the first reading of the entire Town Ordinance No. _____ and read by title only; and,
3. Introduce Town Ordinance No. _____, “An Ordinance Amending Text Regulations within Paradise Municipal Code Title 17 of the Paradise Municipal Code Relative to the Agricultural Residential Zoning District; General Definitions; and the Animal Regulations”; or,
4. Provide alternative direction to town staff.

Background:

At the March 11, 2025 Town Council meeting, staff and Council discussed fire risk management strategies including zoning amendments pertaining to livestock and broadcast burning. At the end of the conversation, staff were directed to prepare suggestions and/or recommendations on potential changes to the regulations for Council consideration that would potentially allow the keeping of livestock on properties zoned Agricultural Residential 3 and 5 acre minimum (AR-3 & AR-5) without a primary residence, as currently required.

At the May 13, 2025 Council meeting, staff presented zoning amendment options for Council’s consideration including changing the definition of a private stable to include all livestock and not just horses, changing the land use regulations for livestock in the AR-3 & AR-5 zones to require an Administrative Permit (non-discretionary permit without a public hearing) for the long-term keeping of livestock when the property is vacant, to potentially allow the establishment of an agricultural building on vacant property with the issuance of a Conditional Use Permit, and to require an animal management plan for vacant properties; all of which the Council was in favor of. Following public comment, Council gave additional directions to staff to investigate a way to allow livestock on vacant AR-3 and AR-5 properties, without an Administrative Permit, if the owner lived on the adjoining property.

The Planning Commission held a public hearing on June 17, 2025 to review the proposed ordinance changes. While they ultimately adopted a resolution recommending Town Council adoption of the zoning amendments, they did express concern regarding the introduction of predators to areas where livestock were being kept without the benefit of an on-site caretaker. Additionally, during the public hearing, Mr. Jon Remalia was providing testimony to the Planning Commission and was inadvertently cut off at three (3) minutes, which is the Town Council limit for public comment, when in fact Planning Commission has a potential five (5) minute maximum. Consultation with the Town’s legal counsel confirmed that such an error did not invalidate the subsequent Planning Commission vote to recommend approval.

Analysis:

The AR-3 and AR-5 zones currently allow the keeping of livestock by right but only if a house is already established. The reasoning behind the proposed amendments is primarily to allow the long-term keeping of grazing animals to be kept on large, vacant properties – not only to keep the larger parcels maintained for defensible space, but to utilize these properties as a homebase for working herds of grazing animals that would otherwise exceed the annual 60-day grazing limit on vacant property. However, since there would not be a caretaker on-site to provide oversight of the livestock, Council and staff felt it necessary to ensure that an animal management plan would be required and adhered to that would provide information about the care, safety, and shelter of the livestock. Additionally, by potentially allowing ag buildings in the AR-3 and AR-5 zones, through the issuance of a use permit, they can be used either for shelter or to keep agricultural equipment, hay, grain, or farm implements.

In a snapshot, the proposed zoning amendments are as follows (green is easier, red is more regulated):

Current Regulations:

Zoning	Livestock	Horse Stables	Ag Building	Residence
AR-3	Permitted	Permitted	Not Permitted	Required
AR-5	Permitted	Permitted	Not Permitted	Required

Proposed Regulations:

Zoning	Livestock	Livestock Stables	Ag Building	Residence
AR-3	Admin Permit	Permitted	Use Permit	Not Required
AR-5	Admin Permit	Permitted	Use Permit	Not Required

Amend the definition of “**Private Stables**” to allow for the boarding of all livestock instead of only horses which would be consistent with the Merriam-Webster definition of stables, stating “a building in which domestic animals are sheltered and fed”.

By changing the keeping of livestock from a permitted land use to requiring an Administrative Permit, when the property is vacant, it gives staff the ability to review, approve, and enforce an animal management plan as well as any general conditions of approval assigned to the Administrative Permit. Failure to comply with the conditions could lead to permit revocation through an existing process described in the municipal code. If there is a residence on-site, or if the owner lives next door on an adjoining parcel, the livestock will continue to be permitted-by-right and not be subject to an Administrative Permit.

With a relaxed, amended definition of ‘private stables’, landowners would have the option of either building stables as their animal enclosure with no further zoning review, or go for a fully enclosed

ag building with a Conditional Use Permit issued by the Planning Commission that would be conditioned solely for the agricultural uses found in the municipal code definition.

Planning staff engaged with a local veterinarian who also does goat grazing, the Police Department, and Animal Control staff to review and provide feedback on the animal management plan form that applicants would fill out and be required to follow once the Administrative Permit is approved, when putting livestock on vacant property (attached in the Ordinance document). Following the Planning Commission's comments and concerns about predators, staff amended that section of the animal management plan to make sure the property was being checked daily for predator activity and prompt repairs to the fencing and shelter would be made.

Planning staff, and the Town Attorney have determined that the nature of the proposed text amendments is sufficiently minor in that there is no possibility adoption and implementation of the amendment would result in a direct and significantly adverse effect on the environment. Thus, the proposed amendment can be found to be exempt from the requirements of the California Environmental Quality Act [CEQA], pursuant to CEQA Guidelines section 15061 (b)(3) [General Rule Exemption].

Financial Impact:

There is no financial impact associated with the first reading and introduction of the ordinance. However, if the ordinance amendments are ultimately adopted, future General Fund revenues may be increased, by an unknown amount, due to the required planning entitlement to keep livestock on vacant property.

ATTACHMENTS:

1. Notice of public hearing for the proposed text amendments.
2. CEQA Notice of Exemption dated June 4, 2025.
3. Copy of Planning Commission Resolution No. 2025-04, "A Resolution of the Paradise Planning Commission Recommending Town Council Adoption of Text amendments to Title 17 of the Paradise Municipal Code Relative to the Agricultural Residential Zoning District; General Definitions; and the Animal Regulations".
4. Town of Paradise Ordinance No. _____, "An Ordinance Amending Text Regulations within Paradise Municipal Code Title 17 of the Paradise Municipal Code Relative to the Agricultural Residential Zoning District; General Definitions; and the Animal Regulations".

**TOWN OF PARADISE
NOTICE OF PUBLIC HEARING
PARADISE TOWN COUNCIL**

NOTICE IS HEREBY GIVEN by the Paradise Town Council that a public hearing will be held on Tuesday, August 12, 2025 at 6:00 p.m. in the Paradise Town Hall Conference Room, 5555 Skyway, Paradise, CA, regarding the following matter:

- a. Item determined to be exempt from environmental review under CEQA Guidelines section 15061(b)(3) (General rule exemption)

PARADISE MUNICIPAL CODE: Town Council consideration of a Planning Commission resolution recommending Town Council adoption of proposed text amendments to the zoning regulations in Paradise Municipal Code (PMC) Title 17 (Zoning Ordinance). If adopted by the Town Council, the amendments would 1) allow the long-term keeping of livestock on property zoned AR-3 and AR-5 (Agricultural Residential 3 & 5 acre minimum) without the presence of a residence through the issuance of a planning entitlement, 2) amend the definition of a private stable to include all livestock, not just horses, 3) allow the construction of an agricultural building on property zoned AR-3 and AR-5 through the issuance of a planning entitlement, and 4) require minimum livestock keeping standards through an Animal Management Plan.

The project file is available for public inspection at the Development Services Department, Building Resiliency Center, 6295 Skyway, Paradise. If you challenge this project in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Town Clerk at, or prior to, the public hearing. For further information please contact the Development Services Department at (530) 872-6291, extension 424.

Melanie Elvis
Town Clerk

NOTICE OF EXEMPTION

To: File

From: Town of Paradise, Development Services Department,
Planning Division, 6295 Skyway, Paradise, CA 95969

Project Title: PMC Title 17 [Zoning] Text Amendments

Project Applicant: Town of Paradise

Project Location: N/A

Project Description: Amendments to the Town Zoning Ordinance relative to livestock and expanding their use in the Agricultural Residential 3-acre and 5-acre zoning districts.

Approving Public Agency: Town of Paradise

**Person or Agency
Carrying Out Project:** Town of Paradise

Exempt Status:
☐ Ministerial (Section 15268)
☐ Emergency Project (Section 15269)
☐ Categorical Exemption (Section 15302)
☒ General Rule Exemption (Section 15061)

Reason for Exemption: The amendments do not constitute a project under CEQA, no physical activity is planned and there is no possibility of a significant environmental effect.

Contact Person: Susan Hartman, Planning Director
(530) 872-6291 x424

Signature: 

Date: 06/04/2025

**TOWN OF PARADISE PLANNING COMMISSION
RESOLUTION 2025-04**

**A RESOLUTION OF THE PARADISE PLANNING COMMISSION RECOMMENDING
TOWN COUNCIL ADOPTION OF TEXT AMENDMENTS TO TITLE 17 OF THE
PARADISE MUNICIPAL CODE RELATIVE TO THE AGRICULTURAL RESIDENTIAL
ZONING DISTRICT; GENERAL DEFINITIONS; AND THE ANIMAL REGULATIONS**

WHEREAS, the Town of Paradise is legally required to direct and regulate land development and land uses via zoning regulations and other means that are consistent with its current Paradise General Plan as well as current state planning and zoning law; and

WHEREAS, during the aftermath of the Camp Fire and community visioning sessions the Town Council adopted direction to town staff relative to some potential code changes to help support fuels management as part of the Town's effort to reduce fire risk; and

WHEREAS, the Town planning staff advise that text regulations within Chapters 17.04, 17.11 and 17.35 of the Paradise Municipal Code (PMC) warrant amendment in order to: 1) become internally consistent with all other existing PMC statutes; 2) become consistent with and further implement the Paradise General Plan, particularly its safety element; 3) amend and/or create statutes that support defensible space projects; and if adopted, would assist in fire mitigation efforts; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on June 17, 2025 to study and consider recommending Town Council adoption of text amendments to PMC Chapters 17.04, 17.11, and 17.35 as proposed by Town staff; and

WHEREAS, the public review also included review and determination that the proposed PMC text amendment is an activity that is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) [general rule exemption] because there is no possibility that the amendment would result in a significantly adverse effect upon the environment; and

WHEREAS, the Planning Commission has considered the recommendation of the Town staff, etc., as well as input received during the public hearing; and on the basis of the foregoing, has determined that the text amendments to PMC Chapters 17.04, 17.11, and 17.35, are warranted at this time in order to aid in fire mitigation efforts following the Camp Fire.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the Town of Paradise as follows:

The Planning Commission hereby recommends to the Town Council of the Town of Paradise, adoption of the proposed text amendments to PMC Chapters 17.04, 17.11, and 17.35 as set forth in "**Exhibit A**" and the animal management plan as shown in "**Exhibit B**" attached hereto; and recommends to the Town Council that the proposed Paradise Municipal Code text amendments are not subject to the requirements of the California Environmental Quality Act (CEQA) in accordance with the general rule categorical exemption provisions of CEQA Guidelines section 15061.

TOWN OF PARADISE
PLANNING COMMISSION
RESOLUTION NO. 2025-04


PASSED AND ADOPTED by the Planning Commission of the Town of Paradise this 17th day of June 2025 by the Following Vote:

AYES: Kim Morris, Zeb Reynolds, Shawn Shingler, Charles Holman, Chair

NOES: None

ABSENT: Carissa Garrard

ABSTAIN: None



Charles Holman, Chair

ATTEST: June 17, 2025



Melanie Elvis, Town Clerk/Elections Official

EXHIBIT "A"

SECTION 1. The definition of the term "Stables, Private" in Paradise Municipal Code Chapter 17.04 shall be amended to read as follows:

Stables, private. "Private stables" means boarding, breeding or raising of horses LIVESTOCK owned by the occupant of the premises or the owner of the property.

SECTION 2. Section 17.11.200 of Chapter 17.11 [Agricultural Residential (AR) Zones] of the Paradise Municipal Code shall be amended to read as follows:

17.11.200 Permitted and conditional uses.

In the agricultural residential zones, the following land uses are permitted where indicated by the letter "P," and are uses permitted subject to town issuance of a conditional use permit where indicated by the letter "C." Uses indicated by the letter "S" are permitted uses with town approval and issuance of a site plan review. Uses identified with the letter "A" are permitted land uses upon town approval and issuance of an administrative permit.

AR-1	AR-3	AR-5	Uses
—	C	C	Agricultural building
P	P	P	Agricultural employee housing, limited residential
—	C	C	Agricultural processing
S	S	S	Agricultural services
A	PA**	PA**	Animal production/livestock
C	C	C	Bed and breakfast
—	C	C	Campground
—	C	C	Cemetery
—	C	S	Commercial composting
C	C	C	Community care facility
P	P	P	Community care facility (limited residential)
P	P	P	Crop production
P	P	P	Dwelling, accessory
A	A	A	Dwelling, secondary
C	C	C	Educational facility
C	S	S	Electric generation (limited)
P	P	P	Family daycare home
P	P	P	Guidance services (limited)
C	C	C	Guidance services (general)
P	P	P	Horticulture
C	S	P	Kennel (indoor)
—	C	C	Kennel (outdoor)
P	P	P	Open space
C	C	C	Park and recreation
C	C	C	Religious assembly
C	C	C	Safety service
P	P	P	Single-family residence
—	C	S	Stable (commercial)
A	P	P	Stable (private)

TOWN OF PARADISE
PLANNING COMMISSION
RESOLUTION NO. 2025-04

C	C	C	Two-family residence*
C	C	C	Utility service (major)
P	P	P	Utility service (minor)

* Density not applied if lot larger than three (3) acres.

** Use is permitted in association with an established on-site residence, or owner's residence on an adjoining property, and is subject to all applicable minimum requirements set forth in Chapter 17.35 Animal Regulations.

SECTION 3. Section 17.35.200 [General requirements] of the Paradise Municipal Code shall be amended to read as follows:

17.35.200 General requirements.

The long-term keeping of livestock animals upon properties within the AR-1, AR-3, AR-5, RR-1, RR-2/3, RR-1/2, TR-1, TR-1/2, and TR-1/3 zoning districts is potentially permitted subject to the specific land use regulations within each zone; and solely in association with established on-site residential uses, and subject to all applicable minimum requirements set forth in this section of Chapter 17.35. Livestock animals within the AR-3 and AR-5 zoning districts may be established without an on-site residential use, subject to the specific land use regulations within their zones and all applicable minimum requirements of Chapter 17.35, and with an approved animal management plan.

EXHIBIT "B"

**Town of Paradise
Animal Management Plan**

Property Address: _____

Parcel Number: _____

Owner/Applicant Name: _____

Phone: _____ **Email:** _____

Permit Type: ☐ Residential Animal Keeping ☐ Targeted Grazing (Temporary)

1. Purpose of Animal Keeping

- ☐ Personal use (e.g., hobby farming, pets)
- ☐ Weed and brush control
- ☐ Agricultural/production use
- ☐ Other: _____

2. Number and Type of Livestock

- Number and types of livestock proposed: _____
- Will livestock be kept permanently on-site? ☐ Yes ☐ No (explain): _____
- Will livestock be bred on-site? ☐ Yes ☐ No
- Will any male goats (bucks) be kept? ☐ Yes ☐ No

3. Site Details

- Total lot size: _____ acres
- Usable grazing/pen area: _____ sq ft
- Distance of pens/enclosure from nearest residence: _____ ft
- Zoning designation: _____

4. Enclosure and Shelter

- Describe fencing type and height (minimum 4 ft required – temporary construction fencing is not sufficient for permanent keeping): _____

-
- Will electric fencing be used? ☐ Yes ☐ No
 - If yes, include safety measures: _____
 - Describe the animal shelter (livestock stables, ag building):

-
- Frequency of cleaning: ☐ Daily ☐ Weekly
 - Manure storage method: _____
-

5. Predation Protection

- Livestock will be secured in a locked shelter or barn at night to deter predators
☐ Yes ☐ No
 - Predator Deterrents:
 - Motion-activated lights near the enclosure? ☐ Yes ☐ No
 - Reinforced fencing? ☐ Yes ☐ No
 - Use of guardian animals? ☐ Yes ☐ No
 - If yes, what kind and how many? _____
 - Monitoring:
 - Property will be checked daily for signs of predator activity. ☐ Yes ☐ No
 - Prompt repairs will be made to any damaged fencing or shelter. ☐ Yes ☐ No
-

6. Feed, Water, and General Care

- Describe feed type (hay, browse, pellets, etc.):

 - Water source: ☐ PID ☐ Well ☐ Other: _____
 - How will water be distributed: ☐ Hose ☐ Automatic trough ☐ Other: _____
 - Vet name/contact: _____
 - Hoof trimming/care schedule: ☐ Monthly ☐ Quarterly ☐ Other: _____
-

7. Waste Management Plan

- Manure will be:
 - ☐ Composted on site
 - ☐ Collected and hauled offsite
 - ☐ Other: _____
- Measures to control odor and pests: _____

-
- Runoff prevention (e.g., distance from storm drains, berms, tarps):
-

8. Emergency Preparedness

- Fire evacuation plan for livestock (if applicable):
-
- Contact for emergency care or temporary relocation:
-

9. Grazing Plan (if applicable)

For temporary grazing projects:

- Duration of grazing period: _____ (start/end dates)
 - Grazing area size: _____ sq ft/acres
 - Supervisor name/contact: _____
 - Supervision frequency: ☐ On-site ☐ Check-ins every ____ hrs.
 - Fence type & signage: _____
 - Plan for soil stabilization or reseeding after grazing: _____
-

10. Community Considerations

- Plan to minimize noise/odor impacts:
-
- Neighbor notification or outreach (if applicable):
 - ☐ Will notify adjacent property owners
 - ☐ Not applicable, livestock will be over 100' from property lines
 - Complaint response plan:
-

11. Certification

I certify that the information provided above is true and complete, and I agree to comply with all applicable local, state, and federal regulations regarding the keeping of livestock.

TOWN OF PARADISE
PLANNING COMMISSION
RESOLUTION NO. 2025-04

Signature of Owner/Applicant: _____

Date: _____

**TOWN OF PARADISE
ORDINANCE NO. ____**

**AN ORDINANCE AMENDING TEXT REGULATIONS WITHIN
PARADISE MUNICIPAL CODE TITLE 17 [ZONING] OF THE PARADISE MUNICIPAL CODE
RELATIVE TO THE AGRICULTURAL RESIDENTIAL ZONING DISTRICT; GENERAL DEFINITIONS;
AND THE ANIMAL REGULATIONS**

SECTION 1. The definition of the term “Stables, Private” in Paradise Municipal Code Chapter 17.04 shall be amended to read as follows:

Stables, private. “Private stables” means boarding, breeding or raising of ~~horses~~ **LIVESTOCK** owned by the occupant of the premises or the owner of the property.

SECTION 2. Section 17.11.200 of Chapter 17.11 [Agricultural Residential (AR) Zones] of the Paradise Municipal Code shall be amended to read as follows:

17.11.200 Permitted and conditional uses.

In the agricultural residential zones, the following land uses are permitted where indicated by the letter "P," and are uses permitted subject to town issuance of a conditional use permit where indicated by the letter "C." Uses indicated by the letter "S" are permitted uses with town approval and issuance of a site plan review. Uses identified with the letter "A" are permitted land uses upon town approval and issuance of an administrative permit.

<u>AR-1</u>	<u>AR-3</u>	<u>AR-5</u>	<u>Uses</u>
—	C	C	Agricultural building
P	P	P	Agricultural employee housing, limited residential
—	C	C	Agricultural processing
S	S	S	Agricultural services
A	PA**	PA**	Animal production/livestock
C	C	C	Bed and breakfast
—	C	C	Campground
—	C	C	Cemetery
—	C	S	Commercial composting
C	C	C	Community care facility
P	P	P	Community care facility (limited residential)
P	P	P	Crop production
P	P	P	Dwelling, accessory
A	A	A	Dwelling, secondary
C	C	C	Educational facility
C	S	S	Electric generation (limited)
P	P	P	Family daycare home
P	P	P	Guidance services (limited)
C	C	C	Guidance services (general)
P	P	P	Horticulture

C	S	P	Kennel (indoor)
—	C	C	Kennel (outdoor)
P	P	P	Open space
C	C	C	Park and recreation
C	C	C	Religious assembly
C	C	C	Safety service
P	P	P	Single-family residence
—	C	S	Stable (commercial)
A	P	P	Stable (private)
C	C	C	Two-family residence*
C	C	C	Utility service (major)
P	P	P	Utility service (minor)

* Density not applied if lot larger than three (3) acres.

** Use is permitted in association with an established on-site residence, or owner's residence on an adjoining property, and is subject to all applicable minimum requirements set forth in Chapter 17.35 Animal Regulations.

SECTION 3. Section 17.35.200 [General requirements] of the Paradise Municipal Code shall be amended to read as follows:

17.35.200 General requirements.

The long-term keeping of livestock animals upon properties within the AR-1, AR-3, AR-5, RR-1, RR-2/3, RR-1/2, TR-1, TR-1/2, and TR-1/3 zoning districts is potentially permitted subject to the specific land use regulations within each zone; and solely in association with established on-site residential uses, and subject to all applicable minimum requirements set forth in this section of Chapter 17.35. Livestock animals within the AR-3 and AR-5 zoning districts may be established without an on-site residential use, subject to the specific land use regulations within their zones and all applicable minimum requirements of Chapter 17.35, and with an approved animal management plan.

SECTION 4. The following Animal Management Plan is hereby adopted by reference.

Town of Paradise Animal Management Plan

Property Address: _____

Parcel Number: _____

Owner/Applicant Name: _____

Phone: _____ **Email:** _____

Permit Type: ☐ Residential Animal Keeping ☐ Targeted Grazing (Temporary)

1. Purpose of Animal Keeping

- ☐ Personal use (e.g., hobby farming, pets)
 - ☐ Weed and brush control
 - ☐ Agricultural/production use
 - ☐ Other: _____
-

2. Number and Type of Livestock

- Number and types of livestock proposed: _____

 - Will livestock be kept permanently on-site? ☐ Yes ☐ No (explain): _____

 - Will livestock be bred on-site? ☐ Yes ☐ No
 - Will any male goats (bucks) be kept? ☐ Yes ☐ No
-

3. Site Details

- Total lot size: _____ acres
 - Usable grazing/pen area: _____ sq ft
 - Distance of pens/enclosure from nearest residence: _____ ft
 - Zoning designation: _____
-

4. Enclosure and Shelter

- Describe fencing type and height (minimum 4 ft required – temporary construction fencing is not sufficient for permanent keeping):

- Will electric fencing be used? ☐ Yes ☐ No
 - If yes, include safety measures: _____
- Describe the animal shelter (livestock stables, ag building):

- Frequency of cleaning: ☐ Daily ☐ Weekly

- Manure storage method: _____
-

5. Predation Protection

- Livestock will be secured in a locked shelter or barn at night to deter predators. ☐ Yes ☐ No
 - Predator Deterrents:
 - Motion-activated lights near the enclosure? ☐ Yes ☐ No
 - Reinforced fencing? ☐ Yes ☐ No
 - Use of guardian animals? ☐ Yes ☐ No
 - If yes, what kind and how many? _____
 - Monitoring:
 - Property will be checked daily for signs of predator activity. ☐ Yes
 - Prompt repairs will be made to any damaged fencing or shelter. ☐ Yes
-

6. Feed, Water, and General Care

- Describe feed type (hay, browse, pellets, etc.):

 - Water source: ☐ PID ☐ Well ☐ Other: _____
 - How will water be distributed: ☐ Hose ☐ Automatic trough ☐ Other: _____
 - Vet name/contact: _____
 - Hoof trimming/care schedule: ☐ Monthly ☐ Quarterly ☐ Other: _____
-

7. Waste Management Plan

- Manure will be:
 - ☐ Composted on site
 - ☐ Collected and hauled offsite
 - ☐ Other: _____
- Measures to control odor and pests:

- Runoff prevention (e.g., distance from storm drains, berms, tarps):

8. Emergency Preparedness

- Fire evacuation plan for livestock (if applicable):

- Contact for emergency care or temporary relocation:

9. Grazing Plan (if applicable)

For temporary grazing projects:

- Duration of grazing period: _____ (start/end dates)
- Grazing area size: _____ sq ft/acres
- Supervisor name/contact: _____
- Supervision frequency: ☐ On-site ☐ Check-ins every ____ hrs.
- Fence type & signage: _____
- Plan for soil stabilization or reseeding after grazing: _____

10. Community Considerations

- Plan to minimize noise/odor impacts:

- Neighbor notification or outreach (if applicable):
 - ☐ Will notify adjacent property owners
 - ☐ Not applicable, livestock will be over 100' from property lines
- Complaint response plan:

11. Certification

I certify that the information provided above is true and complete, and I agree to comply with all applicable local, state, and federal regulations regarding the keeping of livestock.

Signature of Owner/Applicant: _____

Date: _____

SECTION 5. CEQA COMPLIANCE. The Town Council finds and determines that the enactment of this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15061(b)(3) (General Rule Exemption).

SECTION 6. This ordinance shall take effect thirty (30) days after the date of its passage. Before the expiration of fifteen (15) days after its passage, this ordinance or a summary thereof shall be published in a newspaper of general circulation published and circulated within the Town of Paradise along with the names of the members of the Town Council of Paradise voting for and against same.

PASSED AND ADOPTED by the Town Council of the Town of Paradise, County of Butte, State of California, on this _____ day of _____, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Crowder, Mayor

ATTEST:

Melanie Elvis, Town Clerk/Elections Official

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 6(a)

ORIGINATED BY: Susan Hartman, Community Development Director –
Planning & Wastewater

REVIEWED BY: Jim Goodwin, Town Manager

SUBJECT: Consider Awarding Professional Services Contract to
PlaceWorks for Preparation of the Paradise General Plan
Update

**LONG TERM
RECOVERY PLAN:** Yes – Tier 1 Planning and Zoning

COUNCIL ACTION REQUESTED:

1. Consider concurring with Town staff's recommendation for the Town of Paradise to award and execute a professional services agreement with PlaceWorks to prepare the update to Town of Paradise 1994 General Plan and subsequent Zoning Ordinance update; and,
2. Authorize the Town Attorney to draft an agreement for professional services to be executed between the Town of Paradise and PlaceWorks; and,
3. Authorize the Town Manager, on behalf of the Town of Paradise, to sign the awarded agreement for professional services with PlaceWorks with a not-to-exceed \$2.2M budget; or,
4. Adopt a motion to provide alternative direction to Town staff regarding this agenda item.

Background:

The Community Development Department is pursuing a comprehensive update to the Town of Paradise 1994 General Plan, which was last updated in its entirety in 1994. As is statutorily required, the Town has updated both the Housing Element (2022) and Safety Element (2024) post-Camp Fire but seeks a new contract with a consulting firm to assist in the completion of the five (5) remaining mandatory general plan elements and well as discuss additional optional elements that would be beneficial in guiding the Town's growth and rebuilding efforts.

At the May 13, 2025 council meeting, the Town Council authorized staff to release an RFP for contract services to complete the update to the Town's General Plan. The RFP was released on May 14, 2025 and closed on June 25, 2025. The scope of services included a comprehensive General Plan update, environmental impact report, and the subsequent zoning code amendments.

Analysis:

Proposals were submitted to the Town by the assigned June 25, 2025 deadline from the following two consulting firms:

- 1) PlaceWorks of Berkeley, CA with a subconsultant list of:
 - a. BAE Urban Economics (Chico)

- b. Provost & Pritchard Consulting Group (Chico)
- c. Fehr & Peers Transportation Consultants (Sacramento)
- d. ECORP Consulting (Chico)
- 2) Sargent Town Planning of Pasadena, CA with a subconsultant list of:
 - a. Urban Design Associates (Pittsburgh, PA)
 - b. Fehr & Peers (Sacramento)
 - c. ECORP Environmental Consulting (Chico)
 - d. Peloton Research & Economics (Chico)
 - e. Economic & Planning Systems (EPS) (Sacramento)
 - f. Northstar Engineering (Chico)
 - g. Pyroanalysis (Redding)
 - h. Atlas Planning Solutions (Riverside)
 - i. BAM Consulting (Oakland)
 - j. Blue Flamingo Marketing (Chico)

Collectively and independently, the Community Development Director (Planning & Wastewater), Recovery & Economic Development Director, Town Manager, and retired Paradise Community Development Director reviewed the proposals submitted. Additionally, staff (absent the Town Manager) interviewed both consulting firms and unanimously determined that PlaceWorks is the best suited to assist the Planning Division in the update of the General Plan and the subsequent zoning code amendments.

The total budget in PlaceWorks' proposal for required tasks in the update process is \$1,994,055 of which \$1,503,873 is for the prime consultant (PlaceWorks) which accounts for 7,136 hours of their anticipated labor. The remaining \$490,182 is then allocated to the subconsultants to cover their time and expertise in the project. While not the lowest priced proposal, it does offer more project hours, including the preparation of up to two additional elements (beyond the five (5) mandatory elements in the project scope) and has a schedule that is compatible with the limited capacity of staff. This firm, and their subconsultants, have worked on multiple projects, including General Plans within Butte County, and are familiar with working in post-disaster areas having worked on the General Plans for Butte County, Lake County, and Santa Rosa. Time and cost, for both submitted proposals, were within the staff's original estimated \$1.5-\$2M budget and 3-year time frame. PlaceWorks projects the General Plan updates to be ready for adoption by Summer 2028 with the zoning ordinance being updated by Fall 2028.

Financial Impact:

The current 2025/26 FY budget has an approved line item of \$600,000 for the General Plan Update consultant. The technical research, analysis, and environmental review (EIR) for the proposed General Plan Update will be allocated out over multiple fiscal years and will not create any financial impact on the General Fund as these costs are paid by funds collected specifically for this purpose as a surcharge on most development permits and entitlements which has a current fund balance of \$2.45M with approximately \$250,000 being added to the fund annually.

It is requested that Council authorize the Town Manager to enter into a contract with PlaceWorks for a not-to-exceed amount of \$2.2M which accounts for the main contract with a 10% contingency fund for any "optional tasks" the consultant has proposed that the Technical Advisory Committee finds necessary and/or for any unexpected costs (most common during the EIR process).



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 6(b)

ORIGINATED BY: Marc Mattox, Public Works Director/Town Engineer
REVIEWED BY: Jim Goodwin, Town Manager
SUBJECT: Capital Improvement Program Right of Way Overview and Expectations
LONG TERM RECOVERY PLAN: Yes – Evacuation Routes

COUNCIL ACTION REQUESTED:

1. Review critical information relating to the forecasted property acquisition needs associated with planned Capital Improvement Program Projects.

Background:

In the aftermath of the 2018 Camp Fire, the Town of Paradise has developed several long-range planning documents—most notably the Community Long-Term Recovery Plan and the Transportation Master Plan—to guide the rebuilding of Paradise with a focus on resiliency, safety, and mobility. These plans have informed a broad slate of capital improvement projects designed to meet community objectives and ensure Paradise is best prepared for future emergencies while creating a thriving community with essential infrastructure.

To implement these projects, the Town has successfully secured significant federal and state funding through programs such as FEMA Public Assistance, FHWA Emergency Relief, the State Active Transportation Program (ATP), and Community Development Block Grant – Disaster Recovery (CDBG-DR). Many of these projects require the acquisition of property rights from private landowners to complete roadway improvements, pathways, and infrastructure expansions in areas previously undeveloped or constrained.

Analysis:

As the Town of Paradise advances major infrastructure improvements across its roadways, pathways, and corridors, the acquisition of real property rights is increasingly necessary to complete construction in areas constrained by parcel boundaries, slopes, and utility placements. These Right of Way (ROW) acquisitions—ranging from temporary construction easements to full property acquisitions—are foundational to the successful delivery of federally funded capital improvement projects and must be approached with a high degree of coordination, legal compliance, and community sensitivity.

Included in the Town's Fiscal Year 2025/2026 Budget is a full Capital Improvement Program which identifies critical projects to further the Town's overall safety improvement objectives. Several of these projects are listed below:

Project Area: Pentz Road between Pearson Road and Skyway

Scope: Class I Multi-Use Bike/Ped Pathway, center-two way left turn lane widening, roadway rehabilitation, traffic signal (Skyway)

Project Area: Skyway between Bille Road and Wagstaff Road

Scope: Class I Multi-Use Bike/Ped Pathway, center-two way left turn lane widening, sidewalks, roadway rehabilitation

Project Area: Roe Road Extension between Edgewoord and Clark Road

Scope: New roadway, Class I Multi-Use Bike/Ped Pathway

Project Area: Neal Road between Town Limits and Skyway

Scope: Class I Multi-Use Bike/Ped Pathway

Within the Town's Capital Improvement Program, approximately \$20.5M is forecasted to be expended under 12 projects over the next three years.

Right of Way acquisitions in any community are extremely sensitive and especially in the lens of Paradise's ongoing recovery and rebuilding, must be treated in the best balance of community good and individual property owner needs.

Affected residents can expect a process that prioritizes transparency and fairness, consistent with state and federal policy. Key steps include:

1. Identification of Need

The Town's engineering team identifies ROW needs based on final design and survey data. Parcels requiring easements or acquisitions are mapped and documented in collaboration with licensed ROW professionals.

2. Initial Contact and Notification

Property owners will receive written notification explaining the project, the nature of the ROW request (temporary or permanent), and next steps. This letter will include contact information for a dedicated Town representative or ROW consultant.

3. Appraisal and Valuation

A licensed, independent appraiser will perform a site visit and market analysis to determine fair market value. The appraisal considers comparable sales, current zoning, land use, improvements, and any partial impacts to remaining property.

4. Offer and Negotiation

After appraisal, the Town (or its authorized agent) will provide the property owner with a written offer based on the appraised value. Owners are encouraged to review and respond, and negotiations are handled respectfully and in good faith. This process typically lasts several weeks to several months, depending on complexity.

5. Transaction and Documentation

Once a mutual agreement is reached, the transaction is executed through a standard escrow process.

Understanding the Town of Paradise community has already experienced a lengthy period of working with utility partners for the purposes of undergrounding – which at times has brought exhaustion and confusion – the Town is committed to a fresh start with clear and transparent communication/execution. To achieve this goal, the Town is seeking to streamline its

communications with residents by requiring all work by its consultants to utilize approved templates, branding, methodologies and most importantly a respectful tone and partnership-first approach. Staff has created a new ParadiseWORKS brand as a unified “Land Coordination Team”. This brand will be used on all communications relating to this topic. Further, all resident communications will be reviewed and approved by the Town’s Public Information Officer prior to distribution.



Approved consultants who work on behalf of the Town for the purposes of potential Right of Way partnerships include Dokken Engineering, Jacobs and Coastland Engineering. Each of these firms will use the ParadiseWORKS Land Coordination Team identification in their correspondence.

Financial Impact:

There are no financial impacts associated with this information item. Each project and potential partnership will be reviewed and approved by the Paradise Town Council in separate action items into the future.



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 6(c)

ORIGINATED BY: Aimee Bealeu, Finance Director/Town Treasurer
REVIEWED BY: Jim Goodwin, Town Manager
SUBJECT: Cost of Services Study Report
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Hear a presentation and report on the Townwide User Fee Update and provide direction to staff regarding the updated Townwide fee structure for adoption at a future Town Council meeting.

Background:

Since the adoption of Proposition 13 in 1978, a series of state legislation has limited local government revenues. As a result, towns have few options to increase or generate new revenues needed to cover the cost of providing services. One way local governments can recoup these costs is through user fees.

User fees are adopted by local governments to offset the cost of providing services or programs to individuals or companies. The principle behind user fees is that the costs of services benefiting individuals or companies should be borne by those receiving the service, not the entire community. Therefore, the primary objective of a user fee is to recover up to 100% of the service cost from the beneficiaries.

Unlike the private sector, local governments cannot set user fees above their cost to generate a profit. Thus, the Town of Paradise can only set fees to recover the full estimated cost of providing the service.

The Town of Paradise last conducted a comprehensive user fee study in 2017. In line with best practices, we are re-evaluating our fees to ensure compliance with state and federal regulations. This process will also help to capture new services, incorporate process improvements, and update or remove outdated services.

Overall, the purpose of this study is to evaluate and determine the full cost (direct and indirect) of providing a variety of Town services based on the existing organizational structure and processes. The Matrix Consulting Group analyzed the cost-of-service relationships that exist between fees for service activities in the following areas: Animal Control, Building, Administrative Services, Fire Prevention, Planning, Police, Public Works, and Onsite Sanitation. The results of this Study provide a tool for understanding current service levels and the cost for those services.

Summary Results

When comparing FY25 fee-related budgeted expenditures with fee-related revenue the Town is under-recovering its costs by approximately \$889,000 or recovering 76% of its costs. The following table shows by major service area: the revenue collected, the total annual cost, the resulting difference, and the resulting cost recovery percentage.

Service Area	Current Revenue	Total Cost	Difference	Cost Recovery %
Animal Control	\$15,942	\$35,663	(\$19,720)	45%
Building	\$2,008,793	\$2,395,442	(\$386,649)	84%
Admin Svcs	\$16,573	\$32,094	(\$15,521)	52%
Fire Prevention	\$111,964	\$259,027	(\$147,062)	43%
Onsite Sanitation	\$563,135	\$786,195	(\$223,059)	72%
Planning	\$42,490	\$128,210	(\$85,720)	33%
Police	\$11,758	\$23,717	(\$11,960)	50%
Public Works	\$50,779	\$84,187	(\$33,408)	60%
Total	\$2,770,656	\$3,660,347	(\$889,692)	76%

The largest source of under-recovery is Building (\$387,000). Building's under-recovery is primarily due to conducting plan reviews and inspections of new homes, remodels, new commercial, and tenant improvements. Right-sizing the fees to be based on square footage or construction cost will help ensure higher cost recovery for the Town.

The detailed documentation of this study will show an over-collection for some fees (on a per unit basis), and an undercharge for most others. The results of this analysis will provide the Department and the Town with guidance on how to right-size their fees to ensure that each service unit is set at an amount that does not exceed the full cost of providing that service. The display of the cost recovery figures shown in this report are meant to provide a basis for policy development discussions among Council members and Town staff, and do not represent a recommendation for where or how the Council should act. The setting of the "rate" or "price" for services, whether at 100 percent full cost recovery or lower, is a policy decision to be made only by the Council, with input from Town staff and the community.

Financial Impact:

There is no fiscal impact associated with the delivery and presentation of this report. The consulting work described was previously approved and budgeted in the prior FY 2024/25 operating budget. Subsequently, adjusting Town fees toward full cost recovery will positively impact General Fund, as well as other Fund's revenues, with the amount dependent on the level of service activities.

Report on Cost of Services (User Fee) Study

TOWN OF PARADISE, CALIFORNIA

FINAL REPORT

July 2025



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1. Introduction and Executive Summary

The report, which follows, presents the results of the Cost of Services (User Fee) Study conducted by the Matrix Consulting Group for the Town of Paradise, California.

1 Project Background and Overview

The Town of Paradise last conducted a comprehensive user fee study in 2017. In line with best practices, they are re-evaluating their fees to ensure compliance with state and federal regulations. This process will also help to capture new services, incorporate process improvements, and update or remove outdated services.

Overall, the purpose of this study is to evaluate and determine the full cost (direct and indirect) of providing a variety of Town services based on the existing organizational structure and processes. The Matrix Consulting Group analyzed the cost-of-service relationships that exist between fees for service activities in the following areas: Animal Control, Building, Administrative Services, Fire Prevention, Planning, Police, Public Works, and Onsite Sanitation. The results of this Study provide a tool for understanding current service levels and the cost for those services.

2 General Project Approach and Methodology

The methodology employed by the Matrix Consulting Group is a widely accepted “bottom up” approach to cost analysis, where time spent per unit of fee activity is determined for each position within a Department or Division. Once time spent for a fee activity is determined, all applicable Town costs are then considered in the calculation of the “full” cost of providing each service. The following table provides an overview of types of costs applied in establishing the “full” cost of services provided by the Town:

Table 1: Overview of Cost Components

Cost Component	Description
Direct	Fiscal Year 2025 Budgeted salaries, benefits, and allowable expenditures.
Indirect	Division, departmental, clerical, and Townwide support.

Together, the cost components in the table above comprise the calculation of the total “full” cost of providing any particular service, regardless of whether a fee for that service is charged.

The work accomplished by the Matrix Consulting Group in the analysis of the proposed fees for service involved the following steps:

- **Department / Division Staff Interviews:** The project team interviewed department / division staff regarding their needs for clarification to the structure of existing fee items, or for addition of new fee items.
- **Data Collection:** Data was collected for each permit / service, including time estimates. In addition, all budgeted costs and staffing levels for Fiscal Year 2025 were entered into the Matrix Consulting Group's analytical software model.
- **Cost Analysis:** The full cost of providing each service included in the analysis was established.
- **Review and Approval of Results with Town Staff:** Department and Town management has reviewed and approved these documented results.

A more detailed description of user fee methodology, as well as legal and policy considerations are provided in subsequent chapters of this report.

3 Summary of Results

When comparing FY25 fee-related budgeted expenditures with fee-related revenue the Town is under-recovering its costs by approximately \$889,000 or recovering 76% of its costs. The following table shows by major service area: the revenue collected, the total annual cost, the resulting difference, and the resulting cost recovery percentage.

Table 2: Annual Cost Recovery Analysis

Service Area	Current Revenue	Total Cost	Difference	Cost Recovery %
Animal Control	\$15,942	\$35,663	(\$19,720)	45%
Building	\$2,008,793	\$2,395,442	(\$386,649)	84%
Admin Svcs	\$16,573	\$32,094	(\$15,521)	52%
Fire Prevention	\$111,964	\$259,027	(\$147,062)	43%
Onsite Sanitation	\$563,135	\$786,195	(\$223,059)	72%
Planning	\$42,490	\$128,210	(\$85,720)	33%
Police	\$11,758	\$23,717	(\$11,960)	50%
Public Works	\$50,779	\$84,187	(\$33,408)	60%
Total	\$2,770,656	\$3,660,347	(\$889,692)	76%

The largest source of under-recovery is Building (\$387,000). Building's under-recovery is primarily due to conducting plan reviews and inspections of new homes, remodels, new commercial, and tenant improvements. Right-sizing the fees to be based on square footage or construction cost will help ensure higher cost recovery for the Town.

The detailed documentation of this study will show an over-collection for some fees (on a per unit basis), and an undercharge for most others. The results of this analysis will provide the Department and the Town with guidance on how to right-size their fees to ensure that each service unit is set at an amount that does not exceed the full cost of

providing that service. The display of the cost recovery figures shown in this report are meant to provide a basis for policy development discussions among Council members and Town staff, and do not represent a recommendation for where or how the Council should act. The setting of the “rate” or “price” for services, whether at 100 percent full cost recovery or lower, is a policy decision to be made only by the Council, with input from Town staff and the community.

4 Considerations for Cost Recovery Policy and Updates

The Matrix Consulting Group recommends that the Town use the information contained in this report to discuss, adopt, and implement a formal Cost Recovery Policy, including a mechanism for the annual update of fees for service.

1 Adopt a Formal Cost Recovery Policy

The Matrix Consulting Group strongly recommends that the Council adopt a formalized, individual cost recovery policy for each service area included in this Study. Whenever a cost recovery policy is established at less than 100% of the full cost of providing services, a known gap in funding is recognized and may then potentially be recovered through other revenue sources. The Matrix Consulting Group considers a formalized cost recovery policy for various fees for service an industry Best Management Practice.

2 Adopt an Annual Fee Update / Increase Mechanism

The purpose of a comprehensive update is to completely revisit the analytical structure, service level estimates and assumptions, and to account for any major shifts in cost components or organizational structures that have occurred since the Town’s previous analysis. It’s recommended the Town adopts the practice of conducting comprehensive analyses every three to five years as this practice captures any changes to organizational structure, processes, as well as any new service areas.

In between comprehensive updates, the Town should continue to utilize published industry economic factors such as Consumer Price Index (CPI) or other regional factors to update the cost calculations established in the Study on an annual basis. Utilizing an annual increase mechanism would ensure that the Town receives appropriate fee increases that reflect growth in costs.

2. Legal Framework and Policy Considerations

This section of the report is intended to provide an overview regarding overall legal rules and regulations as well as general policy considerations for fees for service. A “user fee” is a charge for service provided by a governmental agency to a public citizen or group. In California, several constitutional laws such as Propositions 13, 4, and 218, State Government Codes 66014 and 66016, and more recently Prop 26 and the Attorney General’s Opinion 92-506 set the parameters under which the user fees typically administered by local government are established and administered. Specifically, California State Law, Government Code 66014(a), stipulates that user fees charged by local agencies “...may not exceed the estimated reasonable cost of providing the service for which the fee is charged”.

1 General Principles and Philosophies Regarding User Fees

Local governments are providers of many types of general services to their communities. While all services provided by local government are beneficial to constituents, some services can be classified as globally beneficial to all citizens, while others provide more of a direct benefit to a specific group or individual. The following table provides examples of services provided by local government within a continuum of the degree of community benefit received:

Table 3: Services in Relation to Benefit Received

“Global” Community Benefit	“Global” Benefit and an Individual or Group Benefit	Individual or Group Benefit
<ul style="list-style-type: none"> • Police • Park Maintenance • Fire Suppression 	<ul style="list-style-type: none"> • Recreation / Community Services • Fire Prevention 	<ul style="list-style-type: none"> • Building Permits • Planning and Zoning Approval • Site Plan Review • Engineering Development Review • Facility Rentals

Funding for local government is obtained from a myriad of revenue sources such as taxes, fines, grants, special charges, user fees, etc. In recent years, alternative tax revenues, which typically offset subsidies for services provided to the community, have become increasingly limited. These limitations have caused increased attention on user fee activities as a revenue source that can offset costs otherwise subsidized (usually) by the general fund. In Table 3, services in the “global benefit” section tend to be funded primarily through voter approved tax revenues. In the middle of the table, one typically finds a mixture of taxes, user fee, and other funding sources. Finally, in the “individual /

group benefit” section of the table, lie the services provided by local government that are typically funded almost entirely by user fee revenue.

The following are two central concepts regarding the establishment of user fees:

- **Fees should be assessed according to the degree of individual or private benefit gained from services.** For example, the processing and approval of a land use or building permit will generally result in monetary gain to the applicant, whereas Police services and Fire Suppression are examples of services that are essential to the safety of the community at large.
- **A profit-making objective should not be included in the assessment of user fees.** In fact, California laws require that the charges for service be in direct proportion to the costs associated with providing those services. Once a charge for service is assessed at a level higher than the actual cost of providing a service, the term “user fee” no longer applies. The charge then becomes a tax subject to voter approval.

Therefore, it is commonly accepted that user fees are established at a level that will recover up to, and not more than, the cost of providing a particular service.

2 General Policy Considerations Regarding User Fees

Undoubtedly, there are programs, circumstances, and services that justify a subsidy from a tax based or alternative revenue source. However, it is essential that jurisdictions prioritize the use of revenue sources for the provision of services based on the continuum of benefit received.

Within the services that are typically funded by user fees, the Matrix Consulting Group recognizes several reasons why Town staff or the Council may not advocate the full cost recovery of services. The following factors are key policy considerations in setting fees at less than 100 percent of cost recovery:

- **Limitations posed by an external agency.** The State or an outside agency will occasionally set a maximum, minimum, or limit the jurisdiction’s ability to charge a fee at all. An example includes time spent copying and retrieving public documents and / or transportation permits.
- **Encouragement of desired behaviors.** Keeping fees for certain services below full cost recovery may provide better compliance from the community. For example, if the cost of a permit for charging a water heater in residential home is higher than the cost of the water heater itself, many citizens will avoid pulling the permit.

- **Benefit received by user of the service and the community at large is mutual.** Many services that directly benefit a group or individual equally benefit the community as a whole. Examples include Planning Design Review, historical dedications, and certain types of special events.

The Matrix Consulting Group recognizes the need for policies that intentionally subsidize certain activities. The primary goals of a User Fee Study are to provide a fair and equitable basis for determining the costs of providing services and ensure that the Town complies with State law.

3 Summary of Legal Restrictions and Policy Considerations

Once the full cost of providing services is known, the next step is to determine the “rate” or “price” for services at a level which is up to, and not more than the full cost amount. The Council is responsible for this decision, which often becomes a question of balancing service levels and funding sources. The placement of a service or activity within the continuum of benefit received may require extensive discussion and at times fall into a “grey area”. However, with the resulting cost of services information from a User Fee Study, the Council can be assured that the adopted fee for service is reasonable, fair, and legal. The Town will need to review all fees for service in this analysis and where subsidies are identified increase them to reduce the deficit, and where over-recoveries are identified the fee must be reduced to be in compliance with the law.

3. User Fee Study Methodology

The Matrix Consulting Group utilizes a cost allocation methodology commonly known and accepted as the “bottom-up” approach to establishing User Fees. The term means that the cost is calculated for each fee or line-item individually based upon the level of effort associated with that particular fee. The following chart describes the components of a full cost calculation:



The following subsections discuss the two components of the basis of the full cost.

Time Estimation

Utilization of time estimates is a reasonable and defensible approach, especially since experienced staff members who understand service levels and processes unique to the Town developed these estimates. The project team worked closely with Town staff in developing time estimates with the following criteria:

- Estimates are representative of average times for providing services. Extremely difficult or abnormally simple projects are not factored in the analysis.
- Estimates reflect the time associated with the position or positions that typically perform a service.
- Estimates provided by staff are reviewed and approved by the department / division, and often involve multiple iterations before a Study is finalized.
- Estimates are reviewed by the project team for “reasonableness” against their experience with other agencies.
- Estimates are not based on time and motion studies, as they are not practical for the scope of services and time frame for this project.
- Estimates match the current or proposed staffing levels to ensure there is no over-allocation of staff resources to fee and non-fee related activities.

The Matrix Consulting Group agrees that while the use of time estimates is not perfect, it is the best alternative available for setting a standard level of service on which to base a jurisdiction's fees for service while meeting the requirements of California law.

The alternative to time estimating is actual time tracking, often referred to billing on a "time and materials" basis. Except in the case of anomalous or sometimes very large and complex projects, the Matrix Consulting Group believes this approach to not be cost effective or reasonable for the following reasons:

- Accuracy in time tracking is compromised by the additional administrative burden required to track, bill, and collect for services in this manner.
- Additional costs are associated with administrative staff's billing, refunding, and monitoring deposit accounts.
- Customers often prefer to know the fees for services in advance of applying for permits or participating in programs.
- Departments can better predict revenue streams and staff needs using standardized time estimates and anticipated permit volumes.

Situations arise where the size and complexity of a given project warrants time tracking and billing on a "time and materials" basis. The Matrix Consulting Group has recommended taking a deposit and charging Actual Costs for such fees as appropriate and itemized within the current fee schedule.

Fully Burdened Hourly Rates

The fully burdened hourly rates calculated through this study include the following components:

- **Salaries:** FY25 Budgeted salaries were utilized and consolidated at the fund, department, and positional level.
- **Benefits:** FY25 Budgeted benefits were utilized and consolidated at the fund, department, and positional level.
- **Productive Hours:** Based on the Town of Paradise's current personnel system rules, working or productive hours were calculated. This means taking the 2,080 starting hours and reducing the hours by vacation, sick, holidays, trainings, and administrative leave.

- **Departmental / Divisional Overhead:** This captures any internal service charges or operating supply costs such as vehicles, supplies, etc. Additionally, this component includes the cost associated with support from Director, Administrative and Analytical staff that do not directly work on fees.
- **Townwide Overhead:** This captures support provided by Town Council, Town Manager, Town Clerk, Town Attorney, Finance, and Human Resources. The costs are based on Paradise's FY24 indirect cost allocation plan (provided under separate cover).

Together these components result in the generation of fully burdened hourly rates by position / classification and / or department / division. These rates were multiplied against the time assumptions to calculate the full cost of services noted in this report.

4. Results Overview

The motivation behind a cost of services (User Fee) analysis is for the Council and Departmental staff to maintain services at a level that is both accepted and effective for the community, and also to maintain control over the policy and management of these services.

It should be noted that the results presented in this report are not a precise measurement. In general, a cost-of-service analysis takes a “snapshot in time”, where a fiscal year of financial and operational information is utilized. Changes to the structure of fee names, along with the use of time estimates allow only for a reasonable projection of subsidies and revenue. Consequently, the Council and Department staff should rely conservatively upon these estimates to gauge the impact of implementation going forward.

Discussion of results in the following chapters is intended as a summary of extensive and voluminous cost allocation documentation produced during the Study. Each chapter will include detailed cost calculation results for each major permit category including the following:

- **Modifications:** discussions regarding any proposed revisions to the current fee schedule, including elimination or addition of fees.
- **“Per Unit” Results:** comparison of the full cost of providing each unit of service to the current fee for each unit of service (where applicable).
- **Annualized Results:** utilizing volume of activity estimates annual subsidies and revenue impacts were projected.

The full analytical results were provided to Town staff under separate cover from this summary report.

5. Administrative Services

Administrative Services is responsible for managing the Town's business licensing program. In addition to licensing cost, various businesses are charged a regulation fee to ensure compliance with laws and regulations. Additionally, they process rentals of the Council Chamber space and offer copies / reproductions. The fees examined within this study relate to the Town's business licensing and regulations, rental of Council Chambers, and reproduction fees. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Administrative Services

Fee Schedule Modifications

In discussions with staff, no modification to the current fee schedule were proposed.

Detailed Results

Administrative Services collect fees for business licensing and regulations, rental of Council Chambers, and reproduction fees. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 4: Total Cost Per Unit Results – Administrative Services

Fee Name	Current Fee ¹	Total Cost	Difference
Administrative Citation Hearing		Actual Cost	
Business Regulation			
Business License			
Initial Registration	\$40	\$53	(\$13)
Annual Renewal Registration	\$25	\$70	(\$45)
Bingo Games			
Initial	\$102	\$139	(\$37)
Renewal	\$42	\$80	(\$38)
Bingo Fee ²	1%	1%	0%
Card Room (FP)			
Card Room	\$349	\$693	(\$344)
Employee Work Permit:			
Initial	\$163	\$255	(\$92)
Renewal	\$81	\$146	(\$65)
Fairs, Carnivals, Circuses and Parades	\$169	\$378	(\$209)

¹ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

² [PC 326.5 (L) (2)]

Fee Name	Current Fee¹	Total Cost	Difference
<u>Fortunetelling (FP)</u>			
Initial	\$169	\$317	(\$148)
Renewal	\$68	\$167	(\$99)
<u>Hawkers, Peddlers and Street Vendors (FP)</u>			
Initial	\$122	\$229	(\$107)
Renewal	\$68	\$127	(\$59)
<u>Junk, Pawn and Secondhand Dealers (FP)</u>			
Initial	\$137	\$231	(\$94)
Renewal	\$69	\$145	(\$76)
Surety Bond or Deposit	\$1,000	\$1,000	\$0
<u>Masseur/Masseuse (FP)</u>			
Initial	\$177	\$58	\$119
Renewal	\$89	\$58	\$31
Outdoor Festivals	\$172	\$396	(\$224)
<u>Solicitors (FP)</u>			
Initial	\$137	\$231	(\$94)
Renewal	\$69	\$145	(\$76)
<u>Tattoo Artist & Establishments (FP)</u>			
Initial	\$206	\$317	(\$111)
Renewal	\$69	\$145	(\$76)
<u>Taxi & Rental Cars (FP)</u>			
Initial	\$137	\$231	(\$94)
Renewal	\$69	\$145	(\$76)
Theatres, Tent Show & Playhouses	\$122	\$229	(\$107)
Certified Copy of Town Documents	\$4	\$5	(\$1)
Council Chamber Use After Hours	\$107	\$105	\$2
Council Chamber Use During Business Hrs.	\$40	\$34	\$6
Document Copying - Per Page ³	\$0.25	\$0.25	\$0.00
<u>Electronic Audio Reproduction on CD</u>			
Reproduction Cost	\$3	\$3	\$0
Material Cost		Actual Cost	
Notary Fees ⁴	\$15	\$15	\$0
Printed Material Production/Sale		Actual Cost	
<u>Research on Request (Finance)</u>			
Hourly	\$83	\$105	(\$22)
1/4 Hour	\$21	\$26	(\$5)
<u>Return Check Processing⁵</u>			
1st Check	\$27	\$25	\$2
Subsequent Checks	\$27	\$35	(\$8)

Administrative Services primarily under-recovers for their fees, ranging from a high of \$344 for 'Card Room' to a low of \$5 for 'Research on Request – 1/4 Hour'. The largest over-recovery at \$119 is in relation to 'Masseur / Masseuse – Initial' and is due to decreased time spent administering this license because of process improvements.

³ GOV § 6253(b)

⁴ GOV § 8223 (b)

⁵ CIV § 1719(a)

Annual Revenue Impact

Based on the FY24 permit information, Administrative Services has an under-recovery of roughly \$16,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 5: Annual Results – Administrative Services

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Business License	\$14,705	\$29,283	(\$14,578)
Business Regulation	\$1,868	\$2,811	(\$943)
Total	\$16,573	\$32,094	(\$15,521)

Administrative Services has an annual cost recovery of 52%, which reflects a roughly \$16,000 deficit. The primary contributor to this deficit is the 'Annual Renewal Registration'. Currently, this service is charged at \$25; the full cost was calculated at \$70, resulting in a \$45 per unit difference. Due to the large number of these renewals administered annually, even a small increase to the fee charged would increase the Department's cost recovery.

6. Animal Control

Animal Control is responsible for ensuring public safety by managing and controlling domestic animals and wildlife within the Town, including rescuing stray or injured animals and enforcing animal welfare laws. Additionally, they reunite lost pets with their owners and facilitate the adoption of unclaimed animals. The fees examined within this study relate to adoptions, boarding, impounding, licensing, and various miscellaneous fees. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Animal Control.

Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **New Fees:** Staff proposed the addition of the following five fee as they highlight services already offered but not codified on the fee schedule and new services the Town is looking to provide:
 - 'Cat Carrier'
 - 'Other Animals (Small Livestock) - goats / sheep'
 - 'Cat license'
 - 'Surrender – Equine / Exotic'
 - 'Vaccinations'
- **Expanded Fees:** Due to large variability in how the fees are administered, staff proposed expanding the 'Exotic Animals' impound fees, to address pocket pets, reptiles, and amphibians.
- **Consolidated Fees:** Euthanize fees associated with Cats and Dogs were consolidated from six (6) categories associated with cats, kittens, and dogs by weight to two (2) fees for 'Processing' and 'Veterinary Services'. Furthermore, 'Quarantine Fees' were transitioned from a per animal fee to a per day fee.

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Animal Control.

Detailed Results

Animal Control collect fees for adoptions, boarding, impounding, licensing, and various miscellaneous fees. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 6: Total Cost Per Unit Results – Animal Control

Fee Name	Current Fee ⁶	Total Cost	Difference
Adoptions			
Small Animal (rabbits, rodents, etc.)	\$22	\$29	(\$7)
Cat Adoptions			
Cat Adoption	\$32	\$44	(\$12)
Feline Leukemia Test		Actual Cost	
Cat Carrier	New	\$10	N/A
Dog Adoptions			
Dog Adoption	\$58	\$95	(\$37)
Heartworm Test		Actual Cost	
Deposit for unaltered dog according to Food and Agriculture Code Section 30503(a)(1)]	\$44	\$50	(\$6)
Exotic Animal (reptiles, birds, etc.)	\$31	\$29	\$2
Large Livestock (cattle, horses, etc.)	\$89	\$95	(\$6)
Small Livestock (sheep, goats, pigs, etc.)	\$44	\$47	(\$3)
Boarding			
Dog/Cat	\$16	\$47	(\$31)
Dog / Cat Quarantine	\$28	\$71	(\$43)
Cattle/Horse			
Boarding Fee	\$33	\$95	(\$62)
Outside Boarding Fee		Actual Cost	
Trailer Usage	\$56	\$95	(\$39)
Sheep/Goats Other Livestock & Animals			
Boarding Fee	\$33	\$71	(\$38)
Trailer Usage	\$56	\$95	(\$39)
Animal Disposal			
Dog Disposal			
50 lbs. and under	\$42	\$71	(\$29)
over 50 lbs.	\$56	\$95	(\$39)
Cat Disposal	\$9	\$32	(\$23)
Other Animals (Small Livestock) - goats / sheep	New	\$95	N/A
Dog License			
Dog License Less than 1 year old	\$13	\$47	(\$34)
Dog License - 1 Year			
Altered	\$13	\$47	(\$34)
Unaltered	\$27	\$95	(\$68)
Dog License - 2 Year			
Altered	\$20	\$47	(\$27)
Unaltered	\$40	\$95	(\$55)

⁶ Where appropriate, the current fee shown excludes the technology surcharge, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

Fee Name	Current Fee ⁶	Total Cost	Difference
<u>Dog License - 3 Year</u>			
Altered	\$27	\$47	(\$20)
Unaltered	\$53	\$95	(\$42)
Dog License Replacement Tag	\$9	\$32	(\$23)
Dog License Transfer	\$9	\$47	(\$38)
Animal Licensing Late Fee	\$13	\$47	(\$34)
<u>Cat License</u>			
Cat License	New	\$47	N/A
<u>Impound Animals</u>			
<u>Altered</u>			
1st Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
2nd Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
3rd Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
<u>Unaltered</u>			
1st Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
2nd Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
3rd Offense plus boarding (Plus Administrative Citation)	\$61	\$118	(\$57)
<u>F & A Code 31751.7 & 30804.7</u>			
1st Offense	\$31	\$118	(\$87)
2nd Offense	\$44	\$118	(\$74)
3rd and Subsequent Offense	\$89	\$118	(\$29)
<u>Exotic Animals - Pocket Pets</u>			
1st Offense plus boarding	\$102	\$47	\$55
2nd Offense plus boarding (Plus Administrative Citation)	\$102	\$47	\$55
3rd Offense plus boarding (Plus Administrative Citation)	\$102	\$47	\$55
<u>Exotic Animals - Reptiles</u>			
1st Offense plus boarding	\$102	\$95	\$7
2nd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7
3rd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7
<u>Exotic Animals - Amphibians</u>			
1st Offense plus boarding	\$102	\$95	\$7
2nd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7
3rd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7
<u>Exotic Animals - All Other</u>			
1st Offense plus boarding	\$102	\$95	\$7
2nd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7
3rd Offense plus boarding (Plus Administrative Citation)	\$102	\$95	\$7

Fee Name	Current Fee ⁶	Total Cost	Difference
<u>Livestock Large Animals</u>			
1st Offense plus boarding	\$122	\$189	(\$67)
2nd Offense plus boarding (Plus Administrative Citation)	\$122	\$189	(\$67)
3rd Offense plus boarding (Plus Administrative Citation)	\$122	\$189	(\$67)
<u>Livestock Small Animals</u>			
1st Offense plus boarding	\$122	\$142	(\$20)
2nd Offense plus boarding (Plus Administrative Citation)	\$122	\$142	(\$20)
3rd Offense plus boarding (Plus Administrative Citation)	\$122	\$142	(\$20)
Poultry	\$20	\$47	(\$27)
After Hours Impound Surcharge	\$79	\$95	(\$16)
<u>Euthanize</u>			
Processing Fee	Varies	\$142	N/A
Veterinary Services		Actual Cost	N/A
<u>Incident Copy⁷</u>			
Less than 10 Pages	\$0.00	\$0.00	\$0
More than 10 Pages	\$0.22	\$0.22	\$0
<u>Kennel & Pet Shop License</u>			
Kennel & Pet Shop License	\$102	\$189	(\$87)
Kennel & Pet Shop License Late Penalty	\$20	\$47	(\$27)
<u>Surrender</u>			
Small Animal	\$22	\$112	(\$90)
<u>Cats</u>			
Cat	\$22	\$112	(\$90)
Kitten Under 8 Weeks	\$22	\$112	(\$90)
<u>Dogs</u>			
Dog	\$22	\$136	(\$114)
Puppy 3 Months and Under	\$22	\$112	(\$90)
Equine / Exotic	New	\$142	N/A
<u>Wild Animal Permit Fee</u>			
Wild Animal Permit Fee (Annual)	\$82	\$95	(\$13)
Wild Animal Permit Late Fee	\$20	\$24	(\$4)
<u>Misc. Fee</u>			
Dangerous Animal Permit	\$122	\$236	(\$114)
Deer Validation	\$9	\$32	(\$23)
Microchip Dog or Cat	\$9	\$27	(\$18)
Quarantine Fees	\$28	\$47	(\$19)
Trailer Use	\$56	\$95	(\$39)
Vaccinations	New	Actual Cost	N/A

Except for various impound fees, which are penalties and are not subject to the same regulations as user fees, Animal Control under-recovers for all fees. Therefore, even though those show an over-recovery they are not meant to recover costs, but rather provide enough of a penalty to disincentivize the public.

⁷ GOV § 6253(b)

At \$114, one of the largest under-recovers is in relation to 'Dangerous Animal Permit'. The full cost calculated accounts for the large amount of time spent by the Animal Control Officer attending court, back-and-forth with the applicants, and performing evaluations.

Annual Revenue Impact

Based on the FY24 permit information, Animal Control has an under-recovery of roughly \$20,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 7: Annual Results – Animal Control

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Adoptions	\$5,746	\$8,621	(\$2,876)
Animal Disposal	\$177	\$315	(\$138)
Dog License	\$9,178	\$22,273	(\$13,095)
Euthanize	\$56	\$284	(\$228)
Surrender	\$786	\$4,169	(\$3,384)
Total	\$15,942	\$35,663	(\$19,720)

Animal Control has an annual cost recovery of 45%. At roughly \$13,000, Dog Licenses are the largest contributor to this difference. The per unit deficits for dog licenses vary from a low of \$21 to a high of \$55. These deficits coupled with the large amount of licenses processed annually results in the large cost recovery gap. Even a small increase in dog license fees would help to bridge the Department's cost recovery gap.

7. Building

The Building Division is responsible plan check and inspection of all new and existing construction, including electrical, plumbing and mechanical. As such, the fees examined within this study relate to building, electrical, plumbing, and mechanical plan check and inspections. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Building.

Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Staff proposed eliminating the standalone 'Electrical Private Swimming Pool' fee as this fee is now captured under the newly proposed combination 'Swimming Pool' permits. Additionally, 'Plan Review' was eliminated as a separate fee as it is now built into the total permit fee. Any additional plan review needed would be captured through an hourly rate.
- **New Fees:** Staff proposed the addition of the following fees as they highlight either services already offered but not codified on the fee schedule or new services the Town is looking to provide:
 - 'Alternate Means and Methods Material Review – Building Official'
 - 'Technical Report Review – Building Official'
 - 'Appeal to Building Board of Appeals' as this would cover staff cost to notice, prepare, and attend appeal hearings.
 - 'Permit Reinstatement (1 year Max)'
 - 'Permit Transfer'
 - 'Online Electrical Permit Issuance & Inspection'
 - 'Online Mechanical Permit Issuance & Inspection'
 - 'Online Plumbing Permit Issuance & Inspection'
- **Valuation-Based Fees:** Currently, the Town has a singular valuation table to capture all fees as it relates to miscellaneous projects, single-family residential, new, remodels, and / or commercial / multi-family. Through this process, the project team worked with Town staff to modify this system in the following ways:

- Create flat ranges rather than a calculation-based fee. This would clearly allow Town staff and applicants to understand their cost if they are within a particular square footage or valuation range.
 - Create square footage-based fees for new single-family & duplex projects, accessory buildings, and commercial / industrial / multi-family new projects. For these types of projects, the size of the project is the primary driver of effort rather than the cost of construction.
 - Retain valuation for remodels / additions and tenant improvements, as the level of construction cost does drive the level of effort for those projects.
- **Modified Fees:** The following points highlight various miscellaneous modifications proposed by staff:
 - 'Develop Permit / Development Impact Fee Request' was proposed to be changed to 'Total Permit Fee Estimate Request (Development Permits + Impact Fees).
 - Change Sign Permits to flat fees based on sign type, as follows:
 - 'Monument'
 - 'Free Standing – Pole / Post Sign'
 - 'Flush'
 - Change 'Re-Roof' permits from squares to the following eight subcategories:
 - 'Residential Re-Roof All Types'
 - 'Online Residential Re-Roof All Types'
 - 'Residential Re-Roof All Types with Remove and Reinstall Solar Panels'
 - 'Online Residential Re-Roof All Types with Remove and Reinstall Solar Panel'
 - 'Commercial Re-Roof All Types'
 - 'Online Commercial Re-Roof All Types'
 - 'Commercial Re-Roof All Types with Remove and Reinstall Solar Panels'
 - 'Online Commercial Re-Roof All Types with Remove and Reinstall Solar Panel'
 - 'Swimming Pool' permits were expanded into the following four fees
 - 'Residential'
 - 'Commercial'
 - 'Residential Master Pool Plan'
 - 'Residential Master Pool Plan Reuse'
 - 'Solar Photovoltaic Systems' were modified to mirror the state's current structure and ranges.

- Change the following fees from valuation to be flat-fee based:
 - 'Battery / Energy Storage System'
 - 'EV Charging Station' parsed out into 'Residential', '1-6 stations' and '6+ station'
 - 'Antennas / Cell Towers' parsed out into the following three categories: 'Equipment Container', 'Co-Locate', and Free-Standing Tower'.
 - Generators into two categories – 'standby' and 'on line standby'
 - Windows into 'Window Replacement (per 5 windows)' and 'New Window (structural) per 5 windows – plans required'
 - Retaining Walls
 - Storage Racks
- Staff suggested providing a 'Swimming Pool' combination permit parsed out into 'Residential' and 'Commercial' categories, to streamline this process for applicants as this would include building permit, plan review, and electrical.
- 'Plan Review' as a percentage of the building permit was removed as a stand-alone fee, as the new square footage fees cover both the plan check and inspection aspects of building permitting.

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Building.

Detailed Results

The Building Division collect fees for building, electrical, plumbing, and mechanical plan check and inspections. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 8: Total Cost Per Unit Results – Building

Fee Name	Current Fee ⁸	Total Cost	Difference
Building Plan Check, Permit & Inspection (Single-Family & Duplex) 50% due at time of submittal			
0-1,000 sq. ft.	Modified	\$3,792	N/A
1,001-1,500 sq. ft.	Modified	\$4,384	N/A
1,501-2,000 sq. ft.	Modified	\$4,975	N/A
2,001-2,500 sq. ft.	Modified	\$5,571	N/A
2,501-3,000 sq. ft.	Modified	\$6,163	N/A
3,001+ sq. ft.	Modified	\$6,461	N/A
Each Additional 500 sq. ft. Above 3,000	Modified	\$296	N/A

⁸ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

Fee Name	Current Fee ⁸	Total Cost	Difference
Master Plan	Modified	\$2,863	N/A
Master Plan Reuse Less than 1,000 sq. ft.	Modified	\$2,604	N/A
Master Plan Reuse	Modified	\$2,898	N/A
Manufactured 0-1,500 sq. ft.	Modified	\$2,493	N/A
Manufactured 1,501-5,000 sq. ft.	Modified	\$3,232	N/A
Manufactured 5,001+ sq. ft.	Modified	\$4,415	N/A
Building Plan Check, Permit & Inspection (Accessory Buildings) 50% due at time of submittal			
121-300 sq. ft.	Modified	\$1,135	N/A
301-500 sq. ft.	Modified	\$1,431	N/A
501-1,000 sq. ft.	Modified	\$2,170	N/A
1,000+ sq. ft.	Modified	\$2,612	N/A
Each Additional 500 sq. ft. Above 1,000	Modified	\$296	N/A
Building Plan Check, Permit & Inspection (Single-Family & Duplex) - Remodels / Additions (based on Contract Value)			
Up to \$2,000	Modified	\$631	\$447
\$2,001 - \$10,000	Modified	\$779	\$520
\$10,001 - \$25,000	Modified	\$927	\$593
\$25,001 - \$50,000	Modified	\$1,074	\$758
\$50,001 - \$100,000	Modified	\$1,442	\$1,088
\$100,001+	Modified	\$2,385	\$1,789
Each Additional \$10,000 Above \$100,000	Modified	\$489	\$147
Building Plan Check, Permit & Inspection (Commercial, Industrial, Multi-Family) – New - 50% due at time of submittal			
0-1,500 sq. ft.	Modified	\$8,092	N/A
1,501-2,500 sq. ft.	Modified	\$9,571	N/A
2,501-5,000 sq. ft.	Modified	\$12,530	N/A
5,001-7,500 sq. ft.	Modified	\$18,741	N/A
7,501-10,000 sq. ft.	Modified	\$23,272	N/A
10,000+ sq. ft.	Modified	\$24,751	N/A
Each Additional 1,000 sq. ft. Above 10,000	Modified	\$489	N/A
Manufactured 0-5,000 sq. ft.	Modified	\$4,702	N/A
Manufactured 5,001-10,000 sq. ft.	Modified	\$6,329	N/A
Building Plan Check - Permit & Inspection (Commercial, Industrial, Multi-Family) - Tenant Improvements (Contract Value)			
Up to \$5,000	Modified	\$1,001	N/A
\$5,001 - \$25,000	Modified	\$2,035	N/A
\$25,001 - \$50,000	Modified	\$2,627	N/A
\$50,001 - \$100,000	Modified	\$3,664	N/A
\$100,000 - \$250,000	Modified	\$5,439	N/A
\$250,001-\$500,000	Modified	\$6,031	N/A
\$500,000+	Modified	\$6,622	N/A
Each Additional \$50,000 Above \$500,000	Modified	\$552	N/A
Plan Review			
Additional Plan Review Fees	\$102	\$149	(\$47)
Misc. Valuation Based Fees			
Factory-built and/or modular on permanent foundation and buildings moved to any parcel within the town limits: The building permit fees shall be based upon contract price to include permanent foundation system, cost of factory-built and/or modular home, and any upgrades.	Per Building Permit & Inspection Valuation Fee		

Fee Name	Current Fee ⁸	Total Cost	Difference
Manufactured home installation fees shall be based on the home installed and the cost of the foundation system installed. Except the fee shall be one-half of the building permit fee for a site-built of the same value.	Per Building Permit & Inspection	Valuation Fee	
Building Flat Fees			
General Fees			
Additional Plan Review - Plan Check 3 or For use when required by changes, additions, revisions to approved plans (one half hour minimum)	\$102	\$149	(\$47)
Alternate Means and Methods Materials Review - Building Official (Min. 3 hrs)	New	\$215	N/A
Technical Report Review - Building Official (Min. 3 hrs)	New	\$215	N/A
Appeal to Building Board of Appeals	New	\$386	N/A
Inspection Fee – For use where no fee is specifically indicated (minimum charge – one hour)	\$102	\$147	(\$45)
Inspections outside of normal business hours (Min. 3 hrs)	\$102	\$172	(\$70)
Re-inspection fees after second failed inspection	\$102	\$147	(\$45)
Energy Plan Review - For plans which require energy design compliance per Title 24 California Code of Regulations.	\$51	\$149	(\$98)
General Building Permit Issuance	\$48	\$64	(\$16)
Permit Reinstatement (1-Year Max)	New	\$203	N/A
Permit Transfer	New	\$64	N/A
All Other Fees			
Antennas / Cell Towers			
Equipment Container	Modified	\$816	N/A
Co-Locate	Modified	\$963	N/A
Free Standing Tower	Modified	\$2,356	N/A
Carport/Ramada, Pre-Engineered Metal 481 SF and above	\$290	\$594	(\$304)
Conditional/Temporary Certificate of Occupancy	\$102	\$403	(\$301)
Demolition Permit Fee	\$185	\$520	(\$335)
Total Permit Fee Estimate Request (Development Permits + Impact Fees)	\$102	\$171	(\$68)
Investigative Fee	Actual Cost		
Open Wood Deck single story, less than 12 feet above grade			
Up to and including 300 SF	\$153	\$613	(\$460)
Over 300 SF (per 300 SF)	Modified	\$211	N/A
Re-Roof			
Residential Re-Roof All Types	Modified	\$318	N/A
Online Residential Re-Roof All Types	Modified	\$253	N/A
Residential Re-Roof All Types with Remove and Reinstall Solar Panels	Modified	\$391	N/A
Online Residential Re-Roof All Types with Remove and Reinstall Solar Panels	Modified	\$290	N/A
Commercial Re-Roof All Types	Modified	\$391	N/A
Online Commercial Re-Roof All Types	Modified	\$327	N/A
Commercial Re-Roof All Types with Remove and Reinstall Solar Panels	Modified	\$464	N/A
Online Commercial Re-Roof All Types with Remove and Reinstall Solar Panel	Modified	\$400	N/A
Shed/Garage/Storage Group U			
Pre-Engineered Metal:			
121 SF - 1,000 SF	\$387	\$678	(\$291)

Fee Name	Current Fee ⁸	Total Cost	Difference
Each additional 500 SF over 1,000 SF	\$48	\$74	(\$26)
Pre-Engineered & Pre-Fabricated Wooden Utility Structure			
121SF:			
Up to and including 1,000SF	\$153	\$678	(\$524)
Each additional 500 SF over 1000SF	\$51	\$74	(\$23)
Sign permits			
Monument / Free Standing Pole / Post Sign	Modified	\$789	N/A
Flush	Modified	\$493	N/A
Swimming Pool:			
Residential	Modified	\$1,342	N/A
Commercial	Modified	\$1,710	N/A
Residential Master Pool Plan	Modified	\$511	N/A
Residential Master Pool Plan Reuse	Modified	\$1,043	N/A
Generators			
Standby Generator	Modified	\$267	N/A
Online Stand by Generator	Modified	\$203	N/A
Windows			
Window replacement (per 5)	Modified	\$467	N/A
New Window (structural) (per5) plans required	Modified	\$790	N/A
Retaining walls			
Retaining Wall - Not part of structure	Modified	\$467	N/A
Storage Racks			
Storage Racks	Modified	\$467	N/A
Solar Photovoltaic System Fees			
Solar Photovoltaic System Check/Permit Issuance (Commercial)			
Up to and including 50 kW	Modified	\$833	(\$424)
51kW - 250 kW	Modified	\$7	\$402
Above 50 kW	Modified	\$5	
Solar Photovoltaic System Check/Permit Issuance (Residential Only)			
Up to and including 15 kW	Modified	\$375	(\$68)
16 kW and above	Modified	\$14	\$190
Roof Mount Online Submittal and Permit up to and including 15 kW	Modified	\$343	
Solar Water Heating Systems Plan Check/Permit (Residential Only)	\$102	\$467	(\$365)
Battery / Energy Storage System	Modified	\$373	N/A
EV Charging Station			
Residential	Modified	\$267	N/A
1-6 stations	Modified	\$808	N/A
6+ stations	Modified	\$1,251	N/A
MEPs			
Electrical			
Electrical Inspections - Additional - Hourly	\$97	\$147	(\$50)
Electrical Permit Issuance & Inspection	\$48	\$267	(\$219)
Online Electrical Permit Issuance & Inspection	New	\$203	N/A
Electrical Temporary Power Service	\$48	\$267	(\$219)
Mechanical			
Mechanical Inspections - Additional - Hourly	\$97	\$147	(\$50)
Mechanical Permit Issuance & Inspection	\$48	\$267	(\$219)
Online Mechanical Permit & Issuance	New	\$203	N/A
Plumbing			
Plumbing Inspections - Additional - Hourly	\$97	\$147	(\$50)

Fee Name	Current Fee ⁸	Total Cost	Difference
Plumbing Permit Issuance & Inspection	\$48	\$267	(\$219)
Online Plumbing Permit Issuance & Inspection	New	\$203	N/A

Building under-recovers on all fees. The largest deficits are in relation to 'Solar Photovoltaic Systems Fees,' which can be limited by state regulations unless a jurisdiction can prove that it costs them more to provide that service.

Annual Revenue Impact

Based on the FY24 permit information, Building has an under-recovery of roughly \$387,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 9: Annual Results – Building

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Building Plan Check, Permit & Inspection	\$1,892,082	\$2,213,729	(\$321,647)
Flat Fees	\$63,697	\$105,878	(\$42,182)
Solar Photovoltaic	\$21,632	\$30,071	(\$8,439)
MEPs	\$31,382	\$45,764	(\$14,382)
Total	\$2,008,793	\$2,395,442	(\$386,649)

The Building Division has an annual cost recovery of 89%. The largest component of this deficit, approximately \$322,000 is in relation to plan review and inspection services associated with residential and non-residential projects. Updating the structure to be based on square footage for new projects and valuation for remodels / improvements will better enable the Town to capture staff time and effort spent on those activities.

8. Fire Prevention

Fire suppression services are contracted, but Fire Prevention is provided through the Building Division. The fees examined within this study relate to these responsibilities, including burn and land clearing permits, annual fire inspections, building and construction review, and fire code permits. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Fire Prevention.

Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **New Fees:** Staff proposed the addition of the following fee as they highlight either services already offered but not codified on the fee schedule or new services the Town is looking to provide:
 - 'Online Residential Burn Permit'
 - 'Broadcast Burn Permit'
 - 'Online Fuel Reduction Permit'
 - 'Alternate Means and Methods Review – Fire Marshal'
 - 'Inspection outside of normal business hours'
 - 'Re-inspection fees after second failed inspection'
 - 'Plan Review – Additional Plan Review Fees'
- **Condensed Fees:** To streamline the fee schedule, staff proposed condensing the tiers for 'Annual Fire Inspections – Exiting Occupancies' and adding a multiplier which scales the base tier based on square footage.
- **Modified Fees:** Staff proposed adjusting the base tier for 'Fire Inspection - Apartment Inspection – Annually' from '0-16 units' to '3-16 units' because the annual inspection is not needed for less than three units.

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by the Fire Prevention.

Detailed Results

Fire Prevention collect fees for burn and land clearing permits, annual fire inspections, building and construction review, and fire code permits. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 10: Total Cost Per Unit Results – Fire Prevention

Fee Name	Current Fee ⁹	Total Cost	Difference
Burn Permit-Residential	\$22	\$32	(\$10)
Online Residential Burn Permit	New	\$26	N/A
Broadcast Burn Permit	New	\$182	N/A
Campfire/Special Activity Permit	\$31	\$107	(\$76)
Fuel Reduction Permit	\$49	\$107	(\$58)
Online Fuel Reduction Permit	New	\$88	N/A
Land Clearing Permits	\$76	\$182	(\$106)
Report	See CAL FIRE Fee Schedule		
Respond			
Care Facility Assistance	\$243	\$374	(\$131)
DUI Accident-Hourly	\$122	\$187	(\$65)
False Alarm-After Three Responses Per Year	\$122	\$187	(\$65)
Negligent Alarm	Actual Cost		
Public Service Request, more than three per year	\$122	\$187	(\$65)
Fire Stand By-Hourly (after 1st hour)	\$243	\$374	(\$131)
Equipment and Apparatus Damage	Actual Cost		
Hazard Abatement	\$66	\$149	(\$83)
<u>Hazard Material</u>			
Hourly Rate	\$243	\$374	(\$131)
Actual Cost	Cost of Materials		
Negligent/Reckless Caused Fire Cost Recovery	Actual Cost		
Out-of-Hours Burn	\$243	\$374	(\$131)
Community Safety Services			
After Hours Inspection	50% + Original Fee	\$262	N/A
Appeal of Fire Code Requirements - Fire Marshal	\$94	\$215	(\$121)
Building Permit Work without Permit (each time in year)	50% + Original Fee		
Annual Fire Inspections - Existing Occupancies			
0-5,000 sq. ft.	\$38	\$92	(\$54)
0-5,000 sq. ft. (per 1,000 sq. ft.)	New	\$15	N/A
5,000-10,000 sq. ft.	\$92	\$167	(\$75)
5,000-10,000 sq. ft. (per 1,000 sq. ft.)	New	\$15	N/A
10,000-50,000 sq. ft.	\$170	\$316	(\$146)
10,000-50,000 sq. ft. (per 10,000 sq. ft.)	New	\$75	N/A
50,001-100,000 Sq. Ft.	\$309	\$615	(\$306)
50,001-100,000 Sq. Ft. (per 10,000 sq. ft.)	New	\$75	N/A
100,001 and above Sq. Ft.	\$387	\$914	(\$527)
100,001 and above Sq. Ft. (per 10,000 sq. ft.)	New	\$75	N/A

⁹ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

Fee Name	Current Fee ⁹	Total Cost	Difference
Building Permit and Construction Review (BPCR)			
<u>BPCR - New - Commercial, Industrial and Multi-Family</u>			
0 through 10,000 Sq. Ft.	\$212	\$652	(\$440)
10,001 through 50,000 Sq. Ft.	\$317	\$951	(\$634)
50,001 through 100,000 Sq. Ft.	\$423	\$1,250	(\$827)
per 50,000 Sq. Ft. above 100,000	\$106	\$951	(\$845)
<u>BPCR - Tenant Improvements/Infill Projects</u>			
0 through 10,000 Sq. Ft.	\$106	\$203	(\$97)
10,001 through 50,000 Sq. Ft.	\$212	\$353	(\$141)
50,001 through 100,000 Sq. Ft.	\$317	\$502	(\$185)
per 50,000 Sq. Ft. above 100,000	\$106	\$353	(\$247)
<u>BPCR - Fire Sprinkler System - NFPA 13 - Commercial Buildings</u>			
0 through 10,000 Sq. Ft.	\$191	\$951	(\$760)
10,001 through 50,000 Sq. Ft.	\$239	\$1,250	(\$1,011)
50,001 through 100,000 Sq. Ft.	\$287	\$1,848	(\$1,561)
per 50,000 Sq. Ft. above 100,000	\$96	\$1,250	(\$1,154)
<u>BPCR - Fire Sprinkler System - NFPA 13R and 13D - Single or Multi-family</u>			
0 through 10,000 Sq. Ft.	\$159	\$353	(\$194)
10,001 through 50,000 Sq. Ft.	\$212	\$951	(\$739)
50,001 through 100,000 Sq. Ft.	\$317	\$1,549	(\$1,232)
per 50,000 Sq. Ft. above 100,000	\$106	\$502	(\$396)
<u>BPCR - Fire Sprinkler System Modifications - NFPA 13, 13D, 13R</u>			
Minor - Less than 15 Sprinkler Heads	\$53	\$353	(\$300)
Major - 16-30 Sprinkler Heads	\$106	\$502	(\$396)
	Use BPCR - Fire Sprinkler System - NFPA 13R and 13D fees	\$666	N/A
<u>BPCR - Fire Sprinkler System - NFPA 14 Standpipe</u>			
0 through 10,000 Sq. Ft.	\$212	\$652	(\$440)
10,001 through 50,000 Sq. Ft.	\$264	\$801	(\$537)
50,001 through 100,000 Sq. Ft.	\$317	\$951	(\$634)
per 50,000 Sq. Ft. above 100,000	\$106	\$502	(\$396)
<u>BPCR - Fire Sprinkler System - NFPA 20 Fire Pumps</u>			
0 through 10,000 Sq. Ft.	\$212	\$502	(\$290)
10,001 through 50,000 Sq. Ft.	\$264	\$652	(\$388)
50,001 through 100,000 Sq. Ft.	\$317	\$801	(\$484)
per 50,000 Sq. Ft. above 100,000	\$106	\$502	(\$396)
<u>BPCR - Fire Sprinkler System - NFPA 24/13 Underground Fire Service Mains</u>			
0 through 10,000 Sq. Ft.	\$159	\$502	(\$343)
10,001 through 50,000 Sq. Ft.	\$212	\$652	(\$440)
50,001 through 100,000 Sq. Ft.	\$264	\$801	(\$537)
per 50,000 Sq. Ft. above 100,000	\$106	\$652	(\$546)
<u>BPCR - Fire Sprinkler System - NFPA 72 Fire Alarm Systems</u>			
0 through 10,000 Sq. Ft.	\$159	\$502	(\$343)
10,001 through 50,000 Sq. Ft.	\$212	\$652	(\$440)
50,001 through 100,000 Sq. Ft.	\$264	\$801	(\$537)
per 50,000 Sq. Ft. above 100,000	\$264	\$652	(\$388)
<u>BPCR - Fire Sprinkler System - NFPA 72 Tenant Improvement Fire Alarm</u>			
Minor - Less than 15 fire alarm appliances	\$106	\$353	(\$247)
Major - 16-30 fire alarm appliances	\$159	\$502	(\$343)

Fee Name	Current Fee ⁹	Total Cost	Difference
Use BPCR - Fire Sprinkler System - NFPA 72 Fire Alarm Systems fees			
Above 30 appliances			
<u>BPCR - NFPA 96, 17 & 17A Fixed Fire Suppression Systems</u>			
Fixed Fire Suppression System	\$132	\$502	(\$370)
Class 1 Hood and Duct System	\$132	\$502	(\$370)
Other Specialty Fixed Fire Suppression	\$159	\$652	(\$493)
Tenant Improvement of Fixed Fire Suppression Systems	\$106	\$353	(\$247)
<u>BPCR - Smoke Removal Systems</u>			
0 through 10,000 Sq. Ft.	\$264	\$652	(\$388)
10,001 through 50,000 Sq. Ft.	\$317	\$801	(\$484)
50,001 through 100,000 Sq. Ft.	\$423	\$951	(\$528)
per 50,000 Sq. Ft. above 100,000	\$106	\$801	(\$695)
<u>BPCR - Flammable and Combustible Liquids</u>			
Underground Storage Tank Installation	\$212	\$502	(\$290)
Aboveground Storage Tank	\$317	\$652	(\$335)
Removal of Underground/Aboveground Tank	\$106	\$353	(\$247)
Pipeline or Appurtenances	\$106	\$353	(\$247)
<u>California Fire Code Permits</u>			
Aerosol Products	\$114	\$203	(\$89)
Battery Systems	\$114	\$353	(\$239)
Carnivals and Fairs	\$114	\$353	(\$239)
Cellulose Nitrate Film	\$114	\$203	(\$89)
Combustible Dust Producing Operations	\$171	\$278	(\$107)
Combustible Fibers	\$171	\$278	(\$107)
Compressed Gases	\$142	\$203	(\$61)
Cryogenic Fluids	\$142	\$203	(\$61)
Cutting and Welding	\$57	\$166	(\$109)
Dry Cleaning Plants	\$114	\$203	(\$89)
Exhibits and Trade Shows	\$114	\$203	(\$89)
Explosives	\$171	\$278	(\$107)
Fire Hydrants and Valves	\$28	\$166	(\$138)
Flammable and Combustibles Liquids	\$171	\$278	(\$107)
Floor Finishings	\$171	\$278	(\$107)
Fumigation and Thermal Insecticidal Fogging	\$57	\$166	(\$109)
Hazardous Materials - Bi-Annually	\$568	\$780	(\$212)
HPM Facilities - Bi-Annually	\$568	\$780	(\$212)
High Piled Combustible Storage - Bi-Annually	\$568	\$780	(\$212)
Hot Work Operations	\$28	\$166	(\$138)
Industrial Ovens	\$114	\$203	(\$89)
Lumber Yards and Wood Working Plants	\$171	\$278	(\$107)
Liquid or Gas Fueled Vehicles or Equipment in "A" Occ.	\$57	\$166	(\$109)
LP Gas	\$114	\$203	(\$89)
Magnesium	\$171	\$278	(\$107)
Miscellaneous Combustible Storage	\$114	\$203	(\$89)
Open Flame	\$28	\$203	(\$175)
Open Flames and Torches	\$28	\$203	(\$175)
Open Flames and Candles	\$28	\$203	(\$175)
Organic Coatings	\$171	\$241	(\$70)
Places of Assembly	\$171	\$353	(\$182)
Private Fire Hydrants	\$28	\$166	(\$138)
Pyrotechnic Special Effects	\$171	\$241	(\$70)

Fee Name	Current Fee ⁹	Total Cost	Difference
Pyroxylin Plastics	\$171	\$241	(\$70)
Refrigeration Equipment	\$114	\$203	(\$89)
Repair Garages and Motor Fueling Dispensing Facilities	\$171	\$241	(\$70)
Spraying and Dipping Operations	\$171	\$241	(\$70)
Storage of Tires and Tire By Product	\$227	\$315	(\$88)
Temporary Membrane Structures, Tents and Canopies	\$85	\$203	(\$118)
Tire Rebuilding Plants - Bi-Annually	\$568	\$780	(\$212)
Waste Handling	\$171	\$241	(\$70)
Wood Products	\$114	\$203	(\$89)
Miscellaneous Plan Review & Inspection Fees			
Consultant Fee	Actual Cost	\$215	N/A
Expedite Plan Review	50% + Original Fee	\$431	N/A
Fire Code Enforcement Inspection	\$93	\$166	(\$73)
Fire Protection System Plan Resubmitted (second or subsequent time)	50% + Original Fee	\$215	N/A
Fire Protection System Plan Re-inspection (second or subsequent time)	50% + Original Fee	\$215	N/A
Hydrant Flow Review			
Basic	\$77	\$268	(\$191)
Intermediate	\$227	\$380	(\$153)
Complex	\$227	\$152	\$75
Fire Inspection			
Inspection - Contract State Fire Marshal	Actual Cost		
<u>Fire Inspection - Apartment Inspection - Annually</u>			
3-16 Units	\$140	\$241	(\$101)
17-30 Units	\$186	\$315	(\$129)
31-60 Units	\$280	\$465	(\$185)
61-100 Units	\$373	\$614	(\$241)
More than 100 Units	\$93	\$166	(\$73)
<u>Fire Inspection - Hotel and Motel Inspection - Annually</u>			
0 -10 Units	\$140	\$241	(\$101)
11-20 Units	\$186	\$315	(\$129)
21-50 Units	\$280	\$465	(\$185)
More than 50 Units	\$93	\$166	(\$73)
<u>Fire Inspection - Vegetation Management Inspections</u>			
Initial Inspection and one Re-inspection	\$0	\$203	(\$203)
3rd & subsequent - plus administrative fines	\$124	\$241	(\$117)
<u>Inspection - Commercial, Industrial and Multi-Family</u>			
0 through 10,000 Sq. Ft.	\$186	\$652	(\$466)
10,001 through 50,000 Sq. Ft.	\$280	\$951	(\$671)
50,001 through 100,000 Sq. Ft.	\$373	\$1,250	(\$877)
per 50,000 Sq. Ft. above 100,000	\$93	\$203	(\$110)
<u>Inspection - Tenant Improvements/Infill Projects (BPR)</u>			
0 through 10,000 Sq. Ft.	\$93	\$203	(\$110)
10,001 through 50,000 Sq. Ft.	\$140	\$353	(\$213)
50,001 through 100,000 Sq. Ft.	\$186	\$502	(\$316)
per 50,000 Sq. Ft. above 100,000	\$93	\$353	(\$260)
<u>Inspection - NFPA 13 Fire Sprinkler Systems (Commercial Buildings)</u>			
0 through 10,000 Sq. Ft.	\$186	\$652	(\$466)
10,001 through 50,000 Sq. Ft.	\$280	\$801	(\$521)
50,001 through 100,000 Sq. Ft.	\$326	\$1,250	(\$924)
per 50,000 Sq. Ft. above 100,000	\$93	\$951	(\$858)

Fee Name	Current Fee ⁹	Total Cost	Difference
<u>Inspection - NFPA 13R and 13D Fire Sprinkler Systems (Single or Multi-family)</u>			
0 through 10,000 Sq. Ft.	\$186	\$353	(\$167)
10,001 through 50,000 Sq. Ft.	\$280	\$801	(\$521)
50,001 through 100,000 Sq. Ft.	\$373	\$1,250	(\$877)
per 50,000 Sq. Ft. above 100,000	\$93	\$203	(\$110)
<u>Inspection - NFPA 13 and 13R Fire System Modifications</u>			
Minor - Less than 15 sprinkler heads	\$93	\$353	(\$260)
Major - 16-30 sprinkler heads	\$140	\$502	(\$362)
Above 30 head modification	Use Inspection - NFPA 13R and 13D Fire Sprinkler Systems fees	\$666	N/A
<u>Inspection - NFPA 14 Standpipe</u>			
0 through 10,000 Sq. Ft.	\$186	\$353	(\$167)
10,001 through 50,000 Sq. Ft.	\$280	\$502	(\$222)
50,001 through 100,000 Sq. Ft.	\$373	\$652	(\$279)
per 50,000 Sq. Ft. above 100,000	\$93	\$502	(\$409)
<u>Inspection - NFPA 20 Fire Pumps</u>			
0 through 10,000 Sq. Ft.	\$186	\$353	(\$167)
10,001 through 50,000 Sq. Ft.	\$280	\$502	(\$222)
50,001 through 100,000 Sq. Ft.	\$373	\$652	(\$279)
per 50,000 Sq. Ft. above 100,000	\$93	\$502	(\$409)
<u>Inspection - NFPA 24/13 Underground Fire Service Mains</u>			
0 through 10,000 Sq. Ft.	\$186	\$353	(\$167)
10,001 through 50,000 Sq. Ft.	\$280	\$502	(\$222)
50,001 through 100,000 Sq. Ft.	\$373	\$652	(\$279)
per 50,000 Sq. Ft. above 100,000	\$93	\$502	(\$409)
<u>Inspection - NFPA 72 Fire Alarm Systems</u>			
0 through 10,000 Sq. Ft.	\$186	\$502	(\$316)
10,001 through 50,000 Sq. Ft.	\$280	\$652	(\$372)
50,001 through 100,000 Sq. Ft.	\$373	\$801	(\$428)
per 50,000 Sq. Ft. above 100,000	\$93	\$502	(\$409)
<u>Inspection - NFPA 72 Tenant Improvement Fire Alarm</u>			
Minor - Less than 15 alarm appliances sprinkler heads	\$93	\$353	(\$260)
Major - 16-30 fire alarm appliances	\$140	\$502	(\$362)
Above 30 appliance modification	Use Inspection - NFPA 72 Fire Alarm Systems fees	\$666	N/A
<u>Inspection - NFPA 96, 17 & 17A Fixed Fire Suppression Systems</u>			
Fixed Fire Suppression System	\$93	\$353	(\$260)
Class I Hood and Duct System	\$93	\$353	(\$260)
Other Specialty Fixed Fire Suppression	\$140	\$353	(\$213)
Tenant Improvement of Fixed Fire Suppression Systems	\$93	\$203	(\$110)
<u>Inspection - Smoke Removal Systems</u>			
0 through 10,000 Sq. Ft.	\$186	\$353	(\$167)
10,001 through 50,000 Sq. Ft.	\$280	\$502	(\$222)
50,001 through 100,000 Sq. Ft.	\$373	\$652	(\$279)
per 50,000 Sq. Ft. above 100,000	\$93	\$166	(\$73)
<u>Inspection - Flammable and Combustible Liquids</u>			
Underground storage tank installation	\$93	\$203	(\$110)
Aboveground storage tank	\$93	\$203	(\$110)

Fee Name	Current Fee ⁹	Total Cost	Difference
Removal of underground/aboveground tank	\$140	\$203	(\$63)
Pipeline or appurtenances	\$140	\$203	(\$63)
Insurance Inspection Fee			
Insurance Inspection Fee - Less than 1/3 Acre	\$39	\$203	(\$164)
Insurance Inspection Fee - 1/3 - 1 Acre	\$62	\$278	(\$216)
Insurance Inspection Fee - Over 1 Acre	\$77	\$155	(\$78)
Miscellaneous			
Technical Report Review - Fire Marshal	\$94	\$215	(\$121)
Alternate Means and Methods Review - Fire Marshal (Min. 3 hrs.)	New	\$215	N/A
Plan Review/Variance - Fire Marshal	\$106	\$215	(\$109)
Inspections outside of normal business hours (Min. 2 hrs.)	New	\$215	N/A
Re-inspection fees after second failed inspection	New	\$215	N/A
Plan Review			
Fuel Modification Reports	\$529	\$780	(\$251)
Site Plan Review	\$212	\$353	(\$141)
Additional Plan Review Fees (Plan Check 3, and each Revision)	New	\$149	N/A
Pre-inspection			
Capacity to serve 25 or fewer clients	\$62	\$203	(\$141)
Capacity to serve 26 or more client	\$116	\$278	(\$162)
Residential Care Facilities for the elderly which services six (6) or fewer clients	\$0	\$203	(\$203)

Except for 'Hydrant Flow Review – Complex', which over-recovers for \$76 per hour of review, Fire under-recovers for all their fees. The deficits range from a high of \$1,561 for 'BPCR - Fire Sprinkler System - NFPA 13 - Commercial Buildings - 50,001 through 100,000 Sq. Ft.' to a low of \$10 for 'Burn Permit-Residential'.

Annual Revenue Impact

Based on the FY24 permit information, Fire has an under-recovery of \$147,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 11: Annual Results - Fire Prevention

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Burn Permit-Residential	\$11,333	\$16,421	(\$5,088)
Campfire/Special Activity Permit	\$61	\$214	(\$153)
Fuel Reduction Permit	\$5,320	\$11,657	(\$6,337)
Land Clearing Permits	\$77,937	\$185,330	(\$107,393)
California Fire Code Permits	\$171	\$407	(\$236)
Hydrant Flow Review	\$17,142	\$44,998	(\$27,856)
Total	\$111,964	\$259,027	(\$147,063)

Fire Prevention has an annual cost recovery of 43%. At \$107,000, 'Land Clearing Permits' are the largest contributor to the department's deficit. Currently, the Town charges \$76 for this permit, through the analysis the full cost was calculated to be \$182, resulting in a \$106 per unit deficit. This deficit coupled with the large number of permits pulled annually results in a significant cost recovery gap. Staff should review this fee and adjust where appropriate as even a small increase would impact cost recovery.

9. Planning

Planning is responsible for overseeing the current and future development and growth of the Town, focusing on land use, zoning, infrastructure development, and community design to enhance the quality of life for residents. The fees examined within this study relate to annexation, appeal review, development agreements, landscape plans, site plan review, use permits, and more. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Planning.

Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Staff proposed eliminating the 'New business Checklist Review' fee as this service is no longer offered.
- **New Fees:** Staff proposed the addition of the following fees as they highlight either services already offered but not codified on the fee schedule or new services the Town is looking to provide:
 - 'Re-Review Upon Third Resubmittal' which would be charged hourly
 - 'Entitlement Violation Fee' which is a penalty that covers work started without proper Planning review.
 - 'Administrative Permit – Livestock'
 - 'Administrative Permit Modification – Livestock'
- **Condensed Fees:** As a means to streamline the fee schedule, staff proposed condensing the following fees:
 - 'Appeal Review – Advertised Approval / Denial' and 'Appeal Review – Non-advertised Admin Approval / Denial' were condensed into a single fee 'Appeal Review'.
 - 'Site Plan Review' and 'Site Plan / Use Permit Modification' both have 'Class A', 'Class B', and 'Class C' categories which were condensed into 'Major' and 'Minor' categories.
- **Expanded Fees:** Due to large variability in how the fee is administered, staff proposed expanding the 'Landscape Plan' based on square footage of the project.

- **Modified Fees:** The following points highlight various miscellaneous modifications proposed by staff:
 - 'Day Care Permit Large Family or Home Occupation Permit' was changed to 'Home Occupation Permit'.
 - 'Major Variance Permit Class B' would become 'Major Variance Permit'.
 - 'Minor Variance Permit Class A' would become "Minor Variance Permit"
 - 'Landscape Plan' was modified from a single flat fee to a tiered fee based on square footage of landscaping.
 - 'Site Plan Review', 'Site Plan /Use Modification', and 'Use Permit' staff proposed moving away from classifying by class and change these fees to 'Major' and 'Minor', where minor would not include CEQA.
 - 'Tree Felling Hearing – Minor (5 to 30 trees)' was proposed to change to 'Tree Felling Hearing – Minor (9 to 30 trees)'

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Planning.

Detailed Results

Planning collect fees for annexation, appeal review, development agreements, landscape plans, site plan review, use permits, and more. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 12: Total Cost Per Unit Results – Planning

Fee Name	Current Fee ¹⁰	Total Cost	Difference
<u>Administrative Permit</u>			
Major	\$652	\$1,349	(\$697)
Minor	\$283	\$846	(\$563)
Livestock	New	\$1,033	N/A
<u>Administrative Permit Modification</u>			
Major	\$301	\$675	(\$374)
Minor	\$141	\$423	(\$282)
Livestock	New	\$531	N/A
Administrative Variance Noise Ordinance	\$136	\$573	(\$437)
Administrative Zoning Interpretation	\$236	\$598	(\$362)
<u>Annexation</u>			
Application	\$2,205	\$4,632	(\$2,427)
Appeal Review	\$94	\$201	(\$107)
CEQA Analysis/Document [Projects w/o Land Use Entitlement]	\$601	\$1,479	(\$878)

¹⁰ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

Fee Name	Current Fee¹⁰	Total Cost	Difference
Code Compliance Enforcement Fee	\$91	\$210	(\$119)
Commission Zoning Interpretation	\$330	\$1,015	(\$685)
Home Occupation Permit	\$263	\$846	(\$583)
<u>Design Review Application</u>			
Architecture	\$351	\$1,046	(\$695)
Façade	\$220	\$730	(\$510)
Sign	\$88	\$543	(\$455)
<u>Development Agreement</u>			
Development Agreement:			
Base	\$1,121	\$2,142	(\$1,021)
Per Acre	\$13	\$0	\$13
Development Agreement Modification:			
Base	\$649	\$1,187	(\$538)
Per Acre	\$16	\$0	\$16
<u>EIR</u>			
Requirement Appeal	\$902	\$1,953	(\$1,051)
Study Review	\$601	\$1,385	(\$784)
<u>General Plan</u>			
General Plan Amendment & Rezoning	\$2,907	\$6,714	(\$3,807)
General Plan Amendment (Text Only)	\$1,403	\$3,440	(\$2,037)
General Plan Interpretation (Commission)	\$424	\$1,432	(\$1,008)
<u>Landscape Plan</u>			
Landscape Plan:			
Up to 5,000 sq. ft.	\$255	\$730	(\$475)
5,001 - 10,000 sq. ft.	\$255	\$916	(\$661)
10,001 - 25,000 sq. ft.	\$255	\$1,290	(\$1,035)
25,001+ sq. ft.	\$255	\$1,663	(\$1,408)
Landscape Plan Amendment	\$85	\$293	(\$208)
Major Map Modification Review	\$902	\$1,953	(\$1,051)
Major Variance Permit	\$1,303	\$2,920	(\$1,617)
Mello-Roos District Creation Application Fee	\$852	\$1,795	(\$943)
Minor Map Modification Review	\$377	\$944	(\$567)
Minor Variance Permit	\$1,037	\$2,168	(\$1,131)
<u>Modification to Planned Development</u>			
Major	\$501	\$1,107	(\$606)
Minor	\$189	\$552	(\$363)
Notice of Determination Filing [plus Dept. of Fish & Game Fee]	\$79	\$310	(\$231)
Parcel Map	\$2,074	\$4,782	(\$2,708)
<u>Parking</u>			
Mixed Use Facility Adjustment	\$141	\$363	(\$222)
Remote (Offsite) Review	\$141	\$363	(\$222)
Permit to Mine/Reclamation Plan	\$660	\$1,665	(\$1,005)
<u>Preliminary Development Review</u>			
Major w/Meeting	\$896	\$2,168	(\$1,272)
Minor w/o Meeting	\$519	\$1,228	(\$709)
Project Mitigation Monitoring	\$85	\$207	(\$122)
Research on Request	\$85	\$243	(\$158)
Rezoning Application	\$2,005	\$4,765	(\$2,760)
Road Name Review	\$198	\$878	(\$680)

Fee Name	Current Fee ¹⁰	Total Cost	Difference
<u>Site Plan Review</u>			
Major	New	\$2,607	N/A
Minor	New	\$1,731	N/A
<u>Site Plan / Use Permit Modification</u>			
Major	New	\$1,437	N/A
Minor	New	\$934	N/A
<u>Street Change</u>			
Street Address Change Review	\$88	\$331	(\$243)
Street Name Change Review - Private	\$501	\$1,266	(\$765)
Street Name Change Review - Public	\$1,002	\$2,213	(\$1,211)
Temporary Use Permit (40% Fee Reduction for Non-Profit)	\$141	\$689	(\$548)
<u>Tentative Map</u>			
5 to 19 Lots	\$2,556	\$5,170	(\$2,614)
20 Lots or More:			
Base	\$2,756	\$5,598	(\$2,842)
Per Lot	\$0	\$187	(\$187)
Time Extension Review	\$401	\$1,086	(\$685)
<u>Tree Felling Permit</u>			
Base	\$28	\$79	(\$51)
Per Tree	\$19	\$31	(\$12)
<u>Tree Felling Hearing</u>			
Minor (9 to 30 trees)	\$181	\$690	(\$509)
Major (31 or more trees)	\$272	\$953	(\$681)
Tree Permit Modification (Administrative Action)	\$47	\$94	(\$47)
Tree Preservation/Protection Plan Review	\$85	\$204	(\$119)
<u>Use Permit</u>			
Major	New	\$3,354	N/A
Minor	New	\$2,104	N/A
Re-Review Upon Third Resubmittal	New	\$202	N/A
Entitlement Violation Fee	2x Application Fee		

Planning under-recovers for all fees. The largest deficit at \$3,807 is in relation to 'General Plan Amendment & Rezoning', followed by 'Tentative Map – 20 Lots or more – Base' and 'Rezoning Application' at \$2,842 and \$2,760, respectively.

Annual Revenue Impact

Based on the FY24 permit information, Planning has an under-recovery of roughly \$86,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 13: Annual Results – Planning

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Administrative Permits	\$17,005	\$43,843	(\$26,838)
Day Care Permit Large Family or Home Occ. Permit	\$1,054	\$3,385	(\$2,331)

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Design Review Application	\$3,118	\$13,020	(\$9,902)
General Plan	\$2,907	\$6,714	(\$3,807)
Landscape Plan	\$2,299	\$6,568	(\$4,269)
Rezoning Application	\$2,005	\$4,765	(\$2,760)
Site Plan Review	\$4,399	\$7,799	(\$3,400)
Temporary Use Permit	\$5,762	\$28,239	(\$22,477)
Tree Feeling Permit & Hearing	\$3,942	\$13,876	(\$9,934)
Total	\$42,490	\$128,210	(\$85,720)

Planning has an annual cost recovery of 33%. The largest contributors to this low cost recovery are 'Administrative Permits' at \$27,000 and 'Temporary Use Permits' at \$22,000.

Within 'Administrative Permits', the primary driver of the difference is the 'Minor' category. Currently the Town charges \$283 for this permit, the full cost was calculated at \$846, resulting in a \$593 deficit.

Likewise, the Town currently charges \$141 for a 'Temporary Use Permit', the full cost was calculated to be \$689, resulting in a \$548 per unit deficit. Due to the large volume of these types of permits pulled even a small increase in the fee would help bridge the departments cost recovery gap. As such, staff should evaluate these fees, along with the others addresses in this analysis and make adjustments were appropriate.

10. Police

The Police Department is responsible for ensuring the safety of both community residents and visitors by enforcing federal, state, and local laws, alongside promoting community awareness and engagement. Their responsibilities include maintaining public order, preventing crime, and fostering a secure environment through active collaboration with the community. The fees examined within this study relate to alarms, citation signoffs, police reports, fingering printing, vehicle impound, business licensing, etc. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Police.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Staff proposed eliminating the following fees as these services are no longer offered:
 - 'Deer Validation'
 - 'Weapons Storage Fee – Each Additional After Two'
 - 'Weapons Storage Fee – First Two Weapons'
- **Modified Fees:** The unit by which 'Subpoena Duces Tecum - Witness Appearance Fees – Police Officer' and 'Subpoena Duces Tecum - Hourly' are currently charged were modified to align with how the state charges these fees.

These modifications ensure that the proposed fee schedule more accurately reflects the fee-related services currently being provided by the Police Department.

2 Detailed Results

Police Department collect fees for relate to alarms, citation signoffs, police reports, fingering printing, vehicle impound, business licensing, etc. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 14: Total Cost Per Unit Results – Police Department

Fee Name	Current Fee¹¹	Total Cost	Difference
Accident Investigation (Only those required by law)	\$149	\$233	(\$84)
Misc. Fees			
<u>Bicycle License (Three Years)</u>			
Initial	\$8	\$9	(\$1)
Renewal	\$3	\$6	(\$3)
<u>Citation Sign Off</u>			
Vehicle brought to Police Department	\$22	\$13	\$9
Vehicle not brought to Police Department	\$44	\$47	(\$3)
DUI Emergency Response	\$94	\$189	(\$95)
<u>Excessive Noise Disturbance</u>			
1st Response (Plus Administrative Citation)	\$94	\$189	(\$95)
2nd Response (Plus Administrative Citation)	\$94	\$189	(\$95)
3rd and Additional Responses (Plus Administrative Citation)	\$94	\$189	(\$95)
<u>Fingerprint Processing</u>			
Livescan (Plus Dept. of Justice Fees, Livescan Fees and \$0.75 relay fee)	\$18	\$56	(\$38)
Rolled (Plus Dept. of Justice Fees)	\$18	\$37	(\$19)
<u>Firearms Dealer Permit</u>			
Initial	\$219	\$112	\$107
Renewal	\$55	\$28	\$27
Municipal Code Enforcement		Varies	
<u>Photographs/Audio/Video¹²</u>			
Public Records Request	\$19	\$23	(\$4)
Other Agency, Domestic Violence, or otherwise restricted	\$19	\$0	\$19
<u>Police Report¹²</u>			
Police Report:			
Less than 10 Pages	\$0.00	\$0.25	(\$0.25)
More than 10 Pages	\$0.25	\$0.25	\$0.00
Police Report - CAD/Incident Copy:			
Less than 10 Pages	\$0.00	\$0.25	(\$0.25)
More than 10 Pages	\$0.25	\$0.25	\$0.00
Public Convenience/Necessity (Prior to Alcoholic Beverage License)	\$123	\$27	\$96
Special Police Services	\$94	\$189	(\$95)
Statutory Registration	\$31	\$94	(\$63)
<u>Subpoena Duces Tecum</u>			
Attorney Requests/Delivery ¹³	\$16	\$24	(\$8)
Witness Appearance Fees - Police Officer ¹⁴	\$376	\$275	\$101
Hourly ¹⁵	\$94	\$150	(\$56)
<u>Vehicles</u>			
Vehicle Code Enforcement			
Vehicle Impound Fee - Traffic Safety Fund	\$161	\$175	(\$15)

¹¹ Where appropriate, the current fee shown excludes general plan maintenance and technology surcharges, as those are not factored into the Total Cost, and are calculated and applied as separate surcharges.

¹² GOV § 7922.530

¹³ EVI § 1563(b)(1)

¹⁴ GOV § 68097.2 (b)

¹⁵ Cal. Code Regs. Tit. 15, § 3413.1

Fee Name	Current Fee ¹¹	Total Cost	Difference
Vehicle Repossession ¹⁶	\$31	\$15	\$16
Vehicle Towing/Storage Fee	\$161	\$175	(\$15)
VIN Verification:			
Vehicle brought to Police Department	\$23	\$47	(\$24)
Vehicle not brought to Police Department	\$47	\$94	(\$47)
Visa/Clearance Letter	\$16	\$28	(\$12)
Volunteers used for private events	\$15	\$189	(\$174)

Police primarily under-recovers for fees; ranging from a high of \$174 for 'Volunteers used for private events' to a low of \$1 for 'Bicycle License (Three Years) – Initial'.

The 'Special Police Services' fee applies to any services not specifically identified within the Police Department fee schedule, or for services that fall outside the generally understood scope of an identified service.

3 Annual Revenue Impact

Based on the FY24 permit information, Police has an under-recovery of roughly \$12,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 15: Annual Results – Police

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Citation Sign Off	\$2,311	\$1,303	\$1,008
Fingerprint Processing	\$6,933	\$18,152	(\$11,219)
Firearms Dealer Permit	\$55	\$28	\$27
Police Report	\$0	\$33	(\$33)
Subpoena Duces Tecum	\$587	\$449	\$139
Vehicles	\$1,871	\$3,754	(\$1,882)
Visa/Clearance Letter	\$39	\$70	(\$30)
Total	\$11,797	\$23,787	(\$11,990)

Police has an annual cost recovery of 50%. The main contributor to this deficit is 'Fingerprint Processing', the Town charges \$18 for either a 'Livescan' or 'Rolled' fingerprinting, the full cost for this service was calculated to be \$56 and \$37, which results in a \$38 and \$19 deficit, respectively. While the deficits alone are not large, since the department provides these services five to ten times a week, it adds up to a larger component of the deficit. Due to this, even a small increase in fingerprinting fees would result in an increase in cost recovery.

¹⁶ GOV § 41612

11. Public Works

Public Works is responsible for designing, constructing, and maintaining the Town's essential infrastructure, including roads, bridges, and stormwater drains. Additionally, they also oversee the planning and implementation of public projects as a means to meet the growing needs of the community. The fees examined within this study relate to certificates of compliance and correction, parcel and subdivision maps, encroachment permits, lot line and merger adjustment reviews, and various others. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Public Works.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Staff proposed eliminating the following fees as these services are no longer offered:
 - All fees associated with 'Public utility Encroachment Permits'
 - 'Sign Review and Installation'
 - 'Traffic Marking Engineering Review'
- **New Fees:** Staff proposed the addition of the following fees as they highlight either services already offered but not codified on the fee schedule or new services the Town is looking to provide:
 - 'Special Permit Zone Review' was added to cover the cost of reviewing development projects for parcels designated to have areas of potential flooding according to the Town's Storm Drain Master Plan.
 - 'Development Impact Fee Adjustment/Waiver/in-Lieu Credit Application'
- **Expanded Fees:** Due to large variability in how the fees are administered, staff proposed expanding the following fee categories:
 - 'General Encroachment Permit, Minor Review & Inspections' was expanded into the following two categories: 'Minor Encroachment Permit (Less than \$20,000 Value in Public ROW)' and 'Residential Driveway Connection, Standard Detail D-12'
 - Rather than being charged based on a percentage of the Engineers estimate, 'General Encroachment Permit, Major Review & Inspection' was expanded into the following five flat fee categories which shall be

- accompanied by a stamped Engineer's Estimate of Construction Costs or other acceptable valuation evidence.
 - '\$20,000-\$49,999 Value in Public ROW'
 - '\$50,000-\$99,999 Value in Public ROW'
 - '\$100,000-\$249,999 Value in Public ROW'
 - '\$250,000-\$499,999 Value in Public ROW'
 - '\$500,000+ Value in Public ROW'
- Rather than being charged based on a percentage of the Engineers estimate, 'General Encroachment Permit, Utility' was expanded into the following two per hour fee categories: 'Review & Inspection Hourly Fee' and 'Review & Inspection Overtime Hourly Fee'.
- Rather than being charged based on a percentage of the Engineers estimate, 'Onsite (Private Property Development) Civil Plan Review' was expanded into the following five flat fee categories which shall be accompanied by a stamped Engineer's Estimate of Construction Costs or other acceptable valuation evidence.
 - 'Less Than \$49,999 Civil Value in Private Development'
 - '\$50,000-\$99,999 Civil Value in Private Development'
 - '\$100,000-\$249,999 Civil Value in Private Development'
 - '\$250,000-\$499,999 Civil Value in Private Development'
 - '\$500,000+ Value Civil Value in Private Development'
- **Modified Fees:** 'Erosion Control' was updated to change the fee from being charged per acre to now be charged within the follow categories:
 - 'Single Family Residential'
 - 'All Other'

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Public Works.

2 Detailed Results

Public Works collect fees for certificates of compliance and correction, parcel and subdivision maps, encroachment permits, lot line and merger adjustment reviews, and various others. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 16: Total Cost Per Unit Results – Public Works

Fee Name	Current Fee¹⁷	Total Cost	Difference
<u>Certificate Of Compliance Review - With Public Hearing</u>			
Certificate Of Compliance Review - With Public Hearing	\$778	\$1,826	(\$1,048)
Third Party Costs		Actual Cost	
<u>Certificate of Correction</u>			
No Public Hearing	\$518	\$1,470	(\$952)
With Public Hearing	\$778	\$2,306	(\$1,528)
Covenant/Road Maintenance Agreement Processing	\$194	\$476	(\$282)
<u>Erosion Control</u>			
Non-Compliance Abatement		Actual Cost	
<u>Erosion and Sediment Control Plan Review:</u>			
Single-Family Residential	New	\$530	N/A
All Other	New	\$1,061	N/A
<u>Final Parcel Map</u>			
Final Parcel Map	\$1,296	\$2,519	(\$1,223)
Third Party Costs		Actual Cost	
<u>Final Subdivision Map</u>			
Final Subdivision Map Review	\$1,944	\$5,150	(\$3,206)
Third Party Costs		Actual Cost	
<u>General Encroachment Permit, Minor Review & Inspection</u>			
Minor Encroachment Permit (Less than \$20,000 Value in Public ROW)	\$266	\$531	(\$265)
Residential Driveway Connection, Standard Detail D-12	\$266	\$782	(\$516)
<u>General Encroachment Permit, Major Review & Inspection</u>			
\$20,000-\$49,999 Value in Public ROW	New	\$1,008	N/A
\$50,000-\$99,999 Value in Public ROW	New	\$1,987	N/A
\$100,000-\$249,999 Value in Public ROW	New	\$2,477	N/A
\$250,000-\$499,999 Value in Public ROW	New	\$2,966	N/A
\$500,000+ Value in Public ROW	New	\$3,485	N/A
<u>General Encroachment Permit, Utility</u>			
Review & Inspection Hourly Fee	New	\$170	N/A
Review & Inspection Overtime Hourly Fee	New	\$158	N/A
<u>General Engineering</u>			
Review Hourly Fee	\$130	\$218	(\$88)
Inspection Hourly Fee	\$101	\$179	(\$78)
Inspection Overtime Hourly Fee	\$130	\$211	(\$81)
Overtime Review Hourly Fee	\$101	\$266	(\$165)
<u>Grading Permit Review and Inspection (Disturbed Volume / Area)</u>			
Over 50 to 100 CY	\$212	\$523	(\$311)
Over 100 to 1,000 CY	\$425	\$1,000	(\$575)
Over 1,000 CY	\$850	\$1,606	(\$756)
<u>Improvement Agreement Review</u>			
Less than \$1,500	\$259	\$427	(\$168)
More than \$1,500	\$518	\$1,018	(\$500)
<u>Lot Line Adjustment Review</u>			
Lot Line Adjustment Review	\$907	\$2,257	(\$1,350)
Third Party Costs		Actual Cost	
<u>Lot Merger Review</u>			

¹⁷ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

Fee Name	Current Fee ¹⁷	Total Cost	Difference
Lot Merger Review	\$518	\$2,007	(\$1,489)
Third Party Costs		Actual Cost	
Onsite (Private Property Development) Civil Plan Review			
Less Than \$49,999 Civil Value in Private Development	New	\$1,008	N/A
\$50,000-\$99,999 Civil Value in Private Development	New	\$1,987	N/A
\$100,000-\$249,999 Civil Value in Private Development	New	\$2,477	N/A
\$250,000-\$499,999 Civil Value in Private Development	New	\$2,966	N/A
\$500,000+ Value Civil Value in Private Development	New	\$3,485	N/A
Deposit	50%	50%	0%
Oversize Vehicle¹⁸			
Annual Permit	\$90	\$90	\$0
Single Trip Permit	\$16	\$16	\$0
Parking Within Street Setback Review	\$259	\$367	(\$108)
Site Plan Review (Developed Area)			
Under 1/3 Acre	\$259	\$487	(\$228)
1/3 - 2 Acres	\$518	\$973	(\$455)
Over 2 Acres	\$1,426	\$1,979	(\$553)
Stormwater Post-Construction Standards Plan Review			
Regulated Project	\$778	\$695	\$83
Small Project	\$130	\$348	(\$218)
Street Abandonment			
Street Abandonment	\$1,815	\$2,753	(\$938)
Third Party Costs		Actual Cost	
Special Permit Zone Review	New	\$396	N/A
Development Impact Fee Adjustment/Waiver/in-Lieu			
Credit Application	\$212	\$952	(\$740)
Public Work - Street & Fleet Services			
Fleet Cost Recovery Fees Regular Business Hours	\$76	\$100	(\$24)
Streets Cost Recovery Fees Regular Business Hours	\$118	\$162	(\$44)
Streets Cost Recovery Fees After Hours - (3 Hour Minimum)	\$177	\$186	(\$9)

Except for 'Stormwater Post-Construction Standards Plan Review – Regulated Project', Public Work's under-recovers on all their fees. Deficits range from a low of \$9 for 'Streets Cost Recovery Fees After Hours - (3 Hour Minimum)' to a high of \$3,206 for 'Final Subdivision Map Review'.

3 Annual Revenue Impact

Based on the FY24 permit information, Public Works has an under-recovery of roughly \$33,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

¹⁸ Cal. Code Regs. tit. 21 § 1411.3 (a)

Table 17: Annual Results – Public Works

Fee Category	Revenue at Current Fee	Annual Cost	Difference
General Encroachment Permit	\$30,640	\$31,602	(\$962)
Grading Permit Review and Inspection	\$14,017	\$33,342	(\$19,325)
Lot Line Adjustment and Merger	\$5,444	\$18,564	(\$13,120)
Oversize Vehicle	\$678	\$678	\$0
Total	\$50,779	\$84,187	(\$33,408)

Public Works has an annual cost recovery of 60%. The driving force of the difference is 'Grading Permit Review and Inspection' as this service has both a large per unit difference and high volume of these types of services provided. For example, 'Over 50 to 100 CY' is currently administered at \$212, the full cost was calculated to be \$523, resulting in a per unit deficit of \$311. Roughly 32 of these services were conducted, resulting in an annual deficit of roughly \$9,900. The high volume coupled with the high difference decrease the department's cost recovery.

Additionally, 'Lot Line Adjustment and Merger' have an impact on cost recovery but are due to large per unit differences. For example, currently 'Lot Merger Review' is charged at \$518 per review, the full cost was calculated to be \$2,007, resulting in a \$1,489 per unit deficit. Only seven of these reviews were administered in the prior year, which resulted in a roughly \$10,400 deficit. Overall, staff should review these fees and the others provided in the analysis and adjust where appropriate.

12. Onsite Sanitation

Onsite Sanitation is responsible for overseeing septic and wastewater treatment systems within the Town of Paradise. As such the fees examined within this study relate to the plan review and inspection of these systems. The following subsections discuss fee schedule modifications, detailed per unit results for the fee-related services, and annual revenue impacts associated with Onsite Sanitation.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **New Fees:** Staff proposed the addition of the following fees as they highlight either services already offered but not codified on the fee schedule or new services the Town is looking to provide:
 - Under Permit Renewal – New Construction category, staff proposed the addition of ‘Alteration to Maintain Existing Use/Alteration for Expanded Use’, as this is an elective application but there is currently no way to capture the time to process the application.
 - ‘Mobile Home Park Review’ covers a pre-review of applicant plans before they can receive a permit from the state.
 - ‘Re-Review upon Third Plan Check’ covers excessive plan review.
- **Modified Fees:** ‘Review for Land Division’ modified category from up to 3 lots to be up to 4 lots as a means to mimic parcel maps.

These modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Onsite Sanitation.

2 Detailed Results

Onsite Sanitation collect fees for the review and inspection of septic and treatment systems. The total cost calculated for each service includes direct staff costs and Departmental and Townwide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 18: Total Cost Per Unit Results – Onsite Sanitation

Fee Name	Current Fee¹⁹	Total Cost	Difference
Abandonment of Septic System	\$143	\$272	(\$129)
<u>Advanced Treatment Systems</u>			
Up to & including 1000 gpd - Recirc, BSF, ATU, etc.			
Permit	\$429	\$952	(\$523)
Review	\$739	\$1,476	(\$737)
Above 1000 gpd - Recirc, BSF, ATU, etc.			
Permit	\$573	\$1,272	(\$699)
Review	\$933	\$1,778	(\$845)
Alteration to Maintain Existing Use/Alteration for Expanded Use	\$286	\$690	(\$404)
<u>Alternative Systems</u>			
Perimeter & Curtain Drain Dewatering:			
Permit	\$429	\$952	(\$523)
Review	\$855	\$1,604	(\$749)
Alternative System - Pressure Dose up to & including 1000 gpd:			
Permit	\$429	\$952	(\$523)
Review	\$447	\$981	(\$534)
Alternative Systems - Pressure Dose above 1000 gpd:			
Permit	\$573	\$1,125	(\$552)
Review	\$778	\$1,677	(\$899)
Annual Evaluator License Fee	\$39	\$161	(\$122)
Annual Operating Permit ²⁰	\$33	\$33	\$0
<u>Building Permit Clearance</u>			
Major	\$72	\$216	(\$144)
Minor	\$36	\$126	(\$90)
Compliance Enforcement	\$212	\$410	(\$198)
Escrow Clearance	\$93	\$176	(\$83)
Extension Request for Evaluation or Repair	\$33	\$68	(\$35)
Graywater Systems	\$107	\$359	(\$252)
Hourly Service Fees	\$94	\$161	(\$67)
<u>Innovative Treatment System</u>			
Permit	\$941	\$1,794	(\$853)
Review	\$1,882	\$3,065	(\$1,183)
<u>Land Use Review</u>			
Major	\$389	\$818	(\$429)
Major with Covenant or Easement	\$583	\$1,192	(\$609)
Minor	\$253	\$516	(\$263)
<u>Monitoring Service - Advanced Treatment System</u>			
Up to & incl 1000 gpd	\$156	\$468	(\$312)
Over 1000 gpd	\$389	\$788	(\$399)
<u>Permit Renewal (New Construction)</u>			
Alternative or Advanced Treatment System	\$272	\$584	(\$312)
Standard System	\$156	\$303	(\$147)
Alteration to Maintain Existing Use/Alteration for Expanded Use	New	\$385	N/A

¹⁹ Where appropriate, the current fee shown excludes the general plan maintenance and technology surcharges, as those are not factored into the Total Cost and calculated / should be applied as separate surcharges.

²⁰ Prop 218

Fee Name	Current Fee ¹⁹	Total Cost	Difference
Repair			
Advanced Treatment Systems Recirc, BSF, ATU, etc. up to & including 1000 gpd:			
Permit	\$429	\$915	(\$486)
Review	\$700	\$1,054	(\$354)
Advanced Treatment Systems Recirc, BSF, ATU, etc. above 1000 gpd:			
Permit	\$680	\$1,364	(\$684)
Review	\$739	\$1,484	(\$745)
Pressure Dose:			
Permit	\$215	\$470	(\$255)
Review	\$428	\$778	(\$350)
Standard Septic System	\$226	\$516	(\$290)
Minor	\$72	\$192	(\$120)
Review for Land Division			
Up to 4 lots	\$541	\$1,097	(\$556)
4 or more Lots	\$132	\$348	(\$216)
Final Map Check	\$78	\$212	(\$134)
Standard System			
New Installation	\$544	\$865	(\$321)
Additional Re-inspection	\$78	\$183	(\$105)
Water Well Clearance	\$94	\$248	(\$154)
Mobile Home Park Review	New	\$730	N/A
Re-Review upon Third Plan Check	New	\$151	N/A

Onsite Sanitation under-recover for all fees, ranging from a high of \$1,183 for 'Innovative Treatment System – Review' to a low of \$35 for 'Extension Request for Evaluation or Repair'.

3 Annual Revenue Impact

Based on the FY24 permit information, Onsite Sanitation has an under-recovery of roughly \$221,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 19: Annual Results - Onsite Sanitation

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Alteration to Maintain Existing Use/Alteration for Expanded Use	\$57,543	\$138,741	(\$81,199)
Annual Evaluator License Fee	\$2,256	\$9,363	(\$7,108)
Annual Operating Permit	\$380,916	\$380,916	\$0
Escrow Clearance	\$38,816	\$73,705	(\$34,889)
Extension Request for Evaluation or Repair	\$33	\$68	(\$35)
Land Use Review	\$29,008	\$59,284	(\$30,277)
Repair	\$52,609	\$120,325	(\$67,716)
Water Well Clearance	\$94	\$248	(\$154)
Total	\$561,275	\$782,653	(\$221,378)

The Onsite Wastewater Division has an annual cost recovery of 72%. At \$68,000, the fee category 'Alteration to Maintain Existing Use/Alteration for Expanded Use' accounts for the largest portion of the deficit. Currently, this fee is charged at \$286; the full cost was calculated at \$690, resulting in a \$404 per unit deficit. The per unit difference, coupled with the high volume of this type of permit administered, results in the cost recovery gaps seen.

Likewise, 'Standard Septic System' within the 'Repair' category is currently administered at \$226, the full cost was calculated at \$516, resulting in a \$290 per unit deficit. In the prior year 194 of these permits were administered resulting in an annual deficit of roughly \$56,000. Overall, staff should look at these fees and the rest addressed in this analysis and make adjustment where necessary to bridge the cost recovery gap.

13. Development Services Surcharges

There are two typical surcharges assessed as part of the development review process – General Plan Maintenance Fee and Technology fee. Currently, the Town of Paradise charges both fees. The following subsections discuss the calculation of the General Plan Maintenance Fee and Technology Fee.

General Plan Maintenance Fee

A General Plan Maintenance fee is meant to account for updates to the general plan, zoning ordinance, housing elements, and other long-range planning activities that are part of the larger General Plan.

The General Plan Maintenance fee is governed by Government Code Section 66014(b), which states that fees “may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and recommendations.” This code states that fees can be charged against zoning changes, zoning variances, use permits, building inspections, and filing applications.

The fee is charged during the building permit phase to ensure that any development project that gets to that phase has enough impact to require an update to the Zoning Code or the General Plan. This fee should only be applied to major building permits (i.e., new or remodel / tenant improvements) rather than standalone permits for water heaters or electrical outlets.

Annually, the Town spends approximately \$257,000 on long-range planning activities. Additionally, for FY25 the Town has proposed \$800,000 for general plan update costs to last approximately 10 years, adding an additional \$80,000 per year. The project team calculated the full cost of the General Plan Fee based on total annual cost divided by total revenue from Building permits. The following table shows this calculation:

Table 20: General Plan Maintenance Fee Calculation

Category	Cost
Total Annual Cost	\$337,000
Total Building Permit Fees	\$2,395,442
General Plan Maintenance Fee	14%

The calculated General Plan Maintenance Fee is 14% of the Building permit fees. The general plan maintenance fee is currently assessed at 12% of the total permit fee

assessed to a project. The following table compares the current fee to the Town's full cost, along with the associated difference.

Table 21: General Plan Maintenance Fee Current Fee to Full Cost Comparison

Category	Current Fee	Full Cost	Difference
General Plan Maintenance Fee	12%	14%	(2%)

The Town is currently under-recovering by 2% for its General Plan maintenance fee.

As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of the General Plan Maintenance Fee. Like other comparative efforts, the survey below simply shows the fees charged by the jurisdiction and does not include the basis upon which the other jurisdictions calculated or developed their fee. The following table shows the results of this comparative analysis:

Table 22: General Plan Maintenance Fee – Comparative Survey

Jurisdiction	Fee Amount
Butte County	4.5% of Bldg Permit Fees
Chico	2% of Bldg Permit Fees
Clearlake	\$25 per permit
Lincoln	0.079% of Project Val

Chico and Butte County's fees at 2% and 4.5% are significantly lower than the Town's current fee of 12% and full cost fee of 14%.

Technology Surcharge Fee

A Technology Fee allows the Town to support the costs associated with the Paradise's permitting system, contracted staff time for managing the systems, acquiring the system, etc. The Town currently assesses this fee as 12.50% of the permit fees. The current annual expenses for technology-related support are \$275,000 annually. To arrive at the calculation of the technology fee, the project team took the annual technology-related costs and divided it by the total cost of Administrative Services, Animal Control, Building, Onsite Sanitation, Planning, Fire, Police, and Public Works permits. The following table shows this calculation:

Table 23: Technology Fee Calculation

Cost Category	Amount
Total Annual Technology-Related Costs	\$275,000
Total Fee-Related Revenue	\$3,744,534
Technology Fee as % of Bldg Permit Fee	7%

Based upon this calculation, the Town's full cost Technology fee would be 7% of the permit fees. Below, is a table comparing the calculated fee to the Town's current fee, along with the associated difference.

Table 24: Technology Fee Current Fee to Full Cost Comparison

Category	Current Fee	Full Cost	Difference
Technology Fee	12.50%	7%	5.50%

The current fee is 5.50% more than the full cost calculated.

As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of a Technology Fee. Like other comparative efforts, the survey below simply shows the fees charged by the jurisdiction and does not include the basis upon which the other jurisdictions calculated or developed their fee. The following table shows the results of this comparative analysis:

Table 25: Technology Fee – Comparative Survey

Jurisdiction	Fee Amount
Auburn	3% of Permit Fees
Butte County	2% of Permit Fees
Chico	3.3% of the Building Permit Fee
Clearlake	2.8% of the Planning Fees
Lincoln	2% of Permit Fees
Marysville	4% of Permit Fees
Oroville	10% of Permit Fees
	6% of Permit Fees

All surveyed jurisdictions charge their technology fee as a percentage of the permit fee, ranging from 2% to 10% of permit fees. Paradise's current fee at 12.50% is the highest, while the full cost calculated fee at 7% would be roughly aligned with other jurisdictions.

Surcharge Funds

The Town of Paradise already collects and accounts for General Plan Maintenance and Technology surcharges in separate accounts, which ensures compliance with funding requirements, enables appropriate allocation of funds to long-term planning and technology-related activities, and mitigates any potential issues with the comingling of funds.

14. Cost Recovery Considerations

The following sections provide guidance regarding how and where to increase fees, determining annual update factors, and developing cost recovery policies and procedures.

1 Fee Adjustments

This study has documented and outlined on a fee-by-fee basis where the Town is under and over collecting for its fee-related services. Town and Department management will now need to review the results of the study and adjust fees in accordance with Departmental and Town philosophies and policies. The following dot points outline the major options the Town has in adjusting its fees.

- **Over-Collection:** Upon review of the fees that were shown to be over-collecting for costs of services provided, the Town should reduce the current fee to be in line with the full cost of providing the service.
- **Full Cost Recovery:** For fees that show an under-collection for costs of services provided, the Town may decide to increase the fee to full cost recovery immediately.
- **Phased Increase:** For fees with significantly low-cost recovery levels, or which would have a significant impact on the community, the Town could choose to increase fees gradually over a set period of time.

The Town will need to review the results of the fee study and associated cost recovery levels and determine how best to adjust fees. While decisions regarding fees that currently show an over-recovery are fairly straight forward, the following subsections, provide further detail on why and how the Town should consider either implementing Full Cost Recovery or a Phased Increase approach to adjusting its fees.

1 Full Cost Recovery

Based on the permit or review type, the Town may wish to increase the fee to cover the full cost of providing services. Certain permits may be close to cost recovery already, and an increase to full cost may not be significant. Other permits may have a more significant increase associated with full cost recovery.

Increasing fees associated with permits and services that are already close to full cost recovery can potentially bring a Department's overall cost recovery level higher. Often,

these minimal increases can provide necessary revenue to counterbalance fees which are unable to be increased.

The Town should consider increasing fees for permits for which services are rarely engaged to full cost recovery. These services often require specific expertise and can involve more complex research and review due to their infrequent nature. As such, setting these fees at full cost recovery will ensure that when the permit or review is requested, the Town is recovering the full cost of its services.

2 Phased Increases

Depending on current cost recovery levels some current fees may need to be increased significantly in order to comply with established or proposed cost recovery policies. Due to the type of permit or review, or the amount by which a fee needs to be increased, it may be best for the Town to use a phased approach to reaching their cost recovery goals.

As an example, you may have a current fee of \$200 with a full cost of \$1,000, representing 20% cost recovery. If the current policy is 80% cost recovery, the current fee would need to increase by \$600, bringing the fee to \$800, in order to be in compliance. Assuming this particular service is something the Town provides quite often, and affects various members of the community, an instant increase of \$600 may not be feasible. Therefore, the Town could take a phased approach, whereby it increases the fee annually over a set period until cost recovery is achieved.

Raising fees over a set period of time not only allows the Town to monitor and control the impact to applicants, but also ensure that applicants have time to adjust to significant increases. Continuing with the example laid out above, the Town could increase the fee by \$150 for the next four years, spreading out the increase. Depending on the desired overall increase, and the impact to applicants, the Town could choose to vary the number of years by which it chooses to increase fees. However, the project team recommends that the Town not phase increases for periods greater than five years, as that is the maximum window for which a comprehensive fee assessment should be completed.

2 Annual Adjustments

Conducting a comprehensive analysis of fee-related services and costs annually would be quite cumbersome and costly. The general rule of thumb for comprehensive fee analyses is between three and five years. This allows for jurisdictions to ensure they account for organizational changes such as staffing levels and merit increases, as well as process efficiencies, code or rule changes, or technology improvements.

Developing annual update mechanisms allow jurisdictions to maintain current levels of cost recovery, while accounting for increases in staffing or expenditures related to permit services. The two most common types of update mechanisms are Consumer Price Index (CPI) and Cost of Living Adjustment (COLA) factors. The following points provide further detail on each of these mechanisms.

- **COLA / Personnel Cost Factor:** Jurisdictions often provide their staff with annual salary adjustments to account for increases in local cost of living. These increases are not tied to merit or seniority, but rather meant to offset rising costs associated with housing, gas, and other livability factors. Sometimes these factors vary depending on the bargaining group of a specific employee. Generally, these factors are around two or three percent annually.
- **CPI Factor:** A common method of increasing fees or cost is to look at regional cost indicators, such as the Consumer Price Index. These factors are calculated by the Bureau of Labor Statistics, put out at various intervals within a year, and are specific to states and regions.

The Town of Paradise should review its current options internally (COLA) as well as externally (CPI) to determine which option better reflects the goals of the Department and the Town. If choosing a CPI factor, the Town should outline which CPI should be used, including specific region, and adoption date. If choosing an internal factor, again, the Town should be sure to specify which factor if multiple exist.

3 Policies and Procedures

This study has identified areas where the Town is under-collecting the cost associated with providing services. This known funding gap is therefore being subsidized by other Town revenue sources.

Development of cost recovery policies and procedures will serve to ensure that current and future decision makers understand how and why fees were determined and set, as well as provide a road map for ensuring consistency when moving forward. The following subsections outline typical cost recovery levels and discuss the benefits associated with developing target cost recovery goals and procedures for achieving and increasing cost recovery.

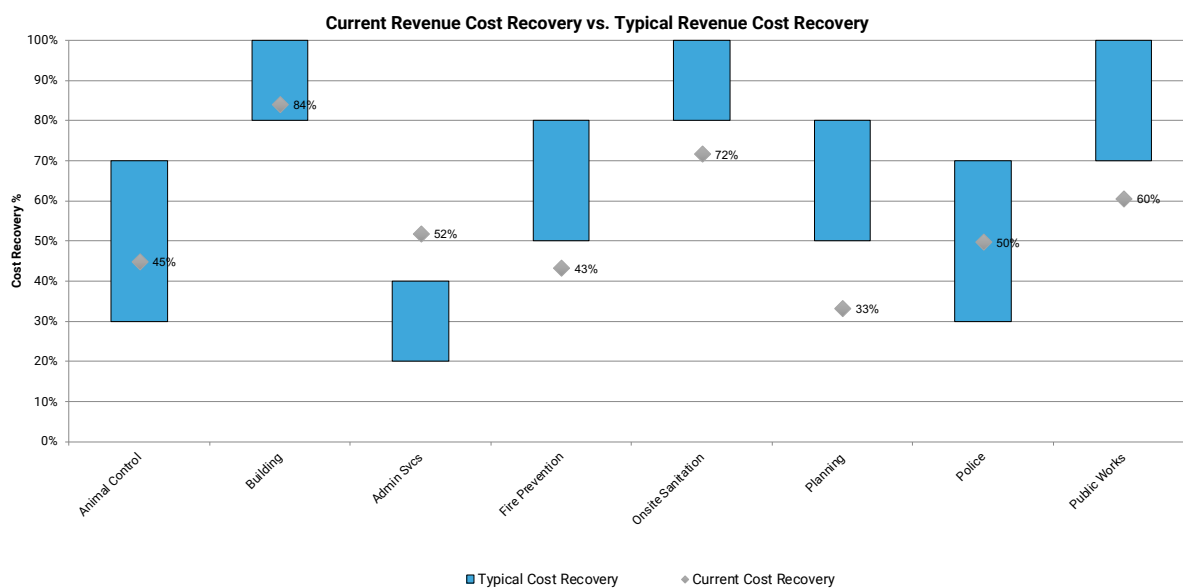
1 Typical Cost Recovery

The Matrix Consulting Group has extensive experience in analyzing local government operations across the United States and has calculated typical cost recovery ranges. The following table outlines these cost recovery ranges by major service area.

Table 26: Typical Cost Recovery Ranges by Major Service Area

Service Areas	Typical Cost Recovery Ranges
Animal Control	40-70%
Building	80-100%
Admin Svcs	20-50%
Fire	50-80%
Onsite Sanitation	80-100%
Planning	50-80%
Police	40-70%
Public Works	80-100%

Information presented in the table above is based on the Matrix Consulting Group's experience in analyzing local governments' operations across the United States and within California and reflects *typical* cost recovery ranges observed by local adopting authorities. The following graph depicts how Paradise compares to industry cost recovery range standards.



Animal Control, Building, Police are within their typical cost recovery ranges. Administrative Services, Fire Prevention, Onsite Sanitation, Planning, and Public Works are all below their typical cost recovery ranges. These are the primary revenue generators

for the Town, indicating that it is more critical for the Town to focus on reviewing the full cost associated with those areas.

2 Development of Cost Recovery Policies and Procedures

The Town should review the current cost recovery levels and adopt a formal policy regarding cost recovery. This policy can be general in nature and can apply broadly to the Town as a whole, or to each department and division specifically. A department specific cost recovery policy would allow the Town to better control the cost recovery associated with different types of services being provided and the community benefit received.

Appendix – Comparative Survey

As part of the Cost of Services (User Fee) study for the Town of Paradise, Matrix Consulting Group conducted a comparative survey of user fees. Paradise identified nine jurisdictions to be included in the comparative survey: Auburn, Butte County, Chico, Clearlake, Grass Valley, Gridley, Lincoln, Marysville, and Oroville. The project team then reviewed public documents (i.e., agenda items, staff reports, budgets, fee schedules, and ordinances), and or contacted jurisdictions to get comparative information.

While this full report provides the Town with a reasonable estimate and understanding of the true costs of providing services, many jurisdictions also wish to benchmark themselves against other comparable jurisdictions to understand the local “rates” for comparable services. This type of comparative analysis allows for Paradise to assess what types of changes in fee levels their community can bear. However, benchmarking does not provide adequate information regarding the relationship of other jurisdiction’s costs to their fees (i.e., policy decisions to subsidize, cost recovery goals, etc.). In an effort to contextualize this portion of the analysis, the project team provided economic and recency factors for the comparable jurisdictions.

The following sections detail various factors to consider when reviewing comparative survey results, as well as graphical comparisons of current fees and total calculated costs for various permits issued or services provided by the Town.

Economic Factors

To provide additional context to the comparative survey information, the project team collected economic factors for the jurisdictions included. Three important economic factors to consider when comparing fees across multiple jurisdictions are: population, budget, and workforce size. These factors can impact how and when fees are administered, as a jurisdiction with a smaller population may choose to not charge a fee, or a smaller workforce size may inhibit their ability to administer a fee.

The following tables rank each jurisdiction from smallest to largest for each of these economic factors:

Table 27: Ranking of Jurisdictions by Population

Jurisdiction	Population ²¹
Gridley	6,935
Paradise	10,691
Marysville	12,752
Auburn	13,218
Grass Valley	13,400
Clearlake	16,553
Oroville	18,129
Lincoln	53,231
Chico	109,589
Butte County	205,928

Table 28: Ranking of Jurisdictions by Total Budget²²

Jurisdiction	FY24-25 Budget
Gridley	\$24,310,423
Marysville	\$27,835,409
Auburn	\$35,419,084
Grass Valley	\$61,134,342
Clearlake	\$65,656,432
Oroville	\$85,300,342
Paradise	\$122,935,617
Lincoln	\$125,619,639
Chico	\$281,966,395
Butte County	\$1,036,653,460

Table 29: Ranking of Jurisdictions by FTE

Jurisdiction	FY24-25 FTE
Gridley	48
Clearlake	84
Auburn	89
Paradise	98
Grass Valley	114
Oroville	146
Lincoln	271
Chico	483
Butte County	2,411

When compared to surveyed jurisdictions, Paradise ranks lower in terms of population and staffing, and is the fourth highest in relation to budget.

Recency Factor

While the above comparative information can provide some perspective when paralleling Paradise's fees with surveyed jurisdictions, other key factors to consider are when a

²¹ 1/1/24 data from the California Department of Finance was used to determine each jurisdictions population.

²² To ensure appropriate comparisons, full operating budget (all funds) has been used for all jurisdictions.

jurisdiction's fee schedule was last updated and when the last comprehensive analysis was undertaken. It is important to note that even though jurisdictions may have conducted recent fee studies their fees are not always adopted at full cost recovery. The comparative results only show the adopted fee for the surveyed jurisdiction, not necessarily the full cost associated with the comparable service.

The following tables detail when each surveyed jurisdiction last updated their fee schedule and last conducted a fee analysis.

Table 30: Last Fee Schedule Updated

Jurisdiction	Response
Clearlake	2023
Auburn	2024
Butte County	2024
Chico	2024
Grass Valley	2024
Gridley	2024
Lincoln	2024
Marysville	2024
Oroville	2024

Table 31: Last Fee Study Conducted

Jurisdiction	Response
Grass Valley	2005
Chico	2015
Auburn	2024
Butte County	Currently undergoing fee study
Gridley	N/A
Marysville	N/A
Clearlake	N/A
Oroville	N/A
Lincoln	N/A

All surveyed jurisdictions have updated their fee schedule in the last couple of years. However, other than Auburn and Butte County, who is currently undergoing a fee study, all other jurisdictions have not conducted a comprehensive fee study within the past five years.

Additional Factors

Along with keeping the statistics outlined in the previous sections in mind, the following issues should also be noted regarding the use of market surveys in the setting of fees for service:

- **Cost Recovery Factors:** Each jurisdiction and its fees are different, and many are not based on the actual cost of providing services as various policy decision may subsidize services.
- **Fee Variance Factors:** The same “fee” with the same name may include different steps or sub-activities. In addition, jurisdictions provide varying levels of service and have varying levels of costs associated with providing services such as staffing levels, salary levels, indirect overhead costs, etc.

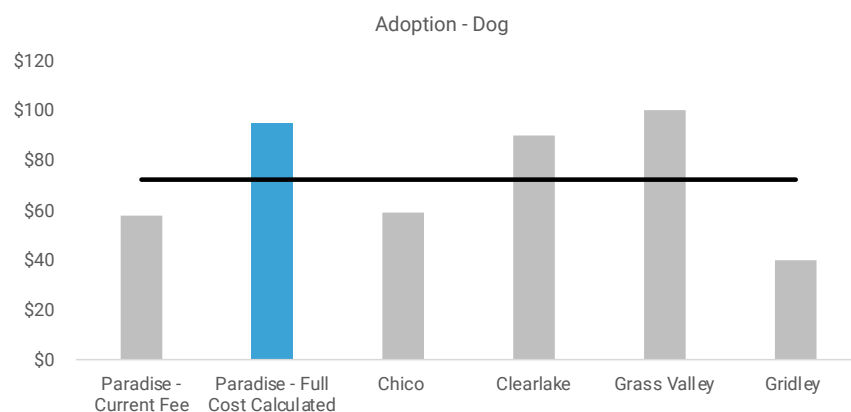
In addition to the issues noted, market surveys can also run the risk of creating a confusing excess of data that will obscure rather than clarify policy issues. Because each jurisdiction is different, the Matrix Consulting Group recommends that the information contained in the market comparison of fees be used as a secondary decision-making tool, rather than a tool for establishing an acceptable price point for services.

Comparative Survey Results

As part of this study, the project team conducted a survey of how the Town’s current user fees and calculated full cost compare to other identified jurisdictions. The following subsections provide a comparative look at several fee-related services provided by the Town versus the surveyed jurisdictions.

1 Adoption - Dog

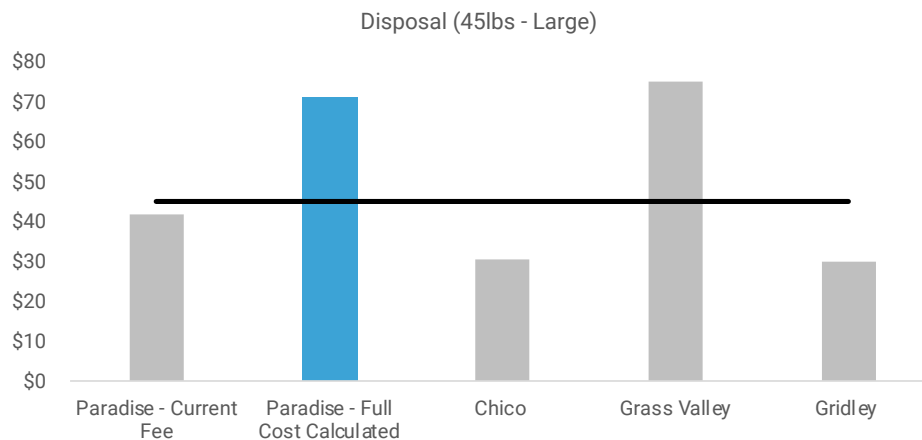
Paradise currently charges a \$58 fee for a dog adoption. Through this study, the project team calculated the full cost to be \$95. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is lower than the jurisdictional average of \$72 and is most comparable to Chico's fee at \$59. The full cost calculated is the second highest and is most comparable to Clearlake (\$90) and Grass Valley (\$100).

2 Disposal (45 lbs. - large)

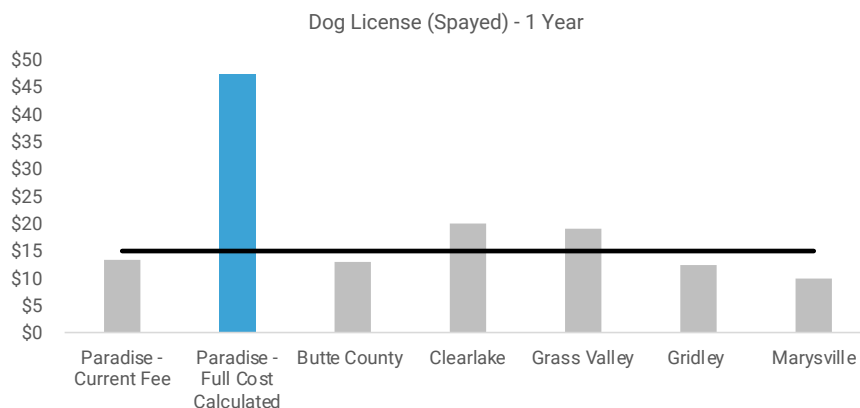
Paradise currently charges a \$42 fee for a 45-pound disposal. Through this study, the full cost was calculated to be \$71. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee roughly aligns with the jurisdictional average of \$45. The full cost fee is the second highest behind Grass Valley which charges \$75 for this service.

3 Dog License (Spayed) - 1 Year

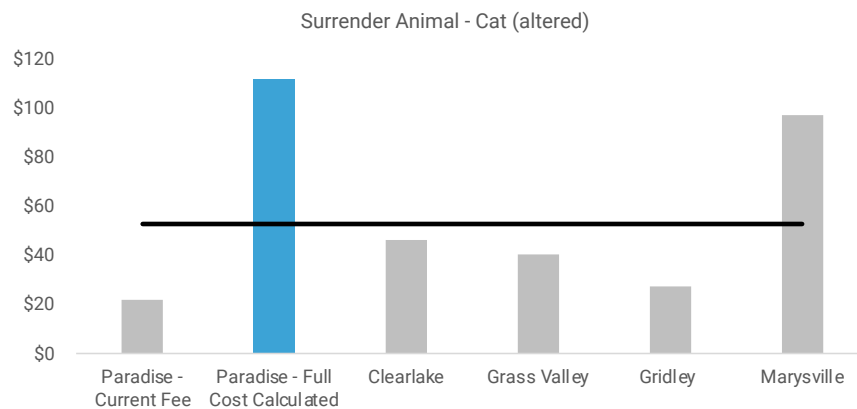
Paradise currently charges a \$13 fee for a one-year dog license for a spayed dog. Through this study, the full cost was calculated to be \$47. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's full cost fee is the highest and is significantly above the jurisdictional average of \$15. Paradise's current fee roughly aligned with the average and is the same cost charged by to Butte County (\$13) and Gridley (\$13).

4 Surrender Animal - Cat (altered)

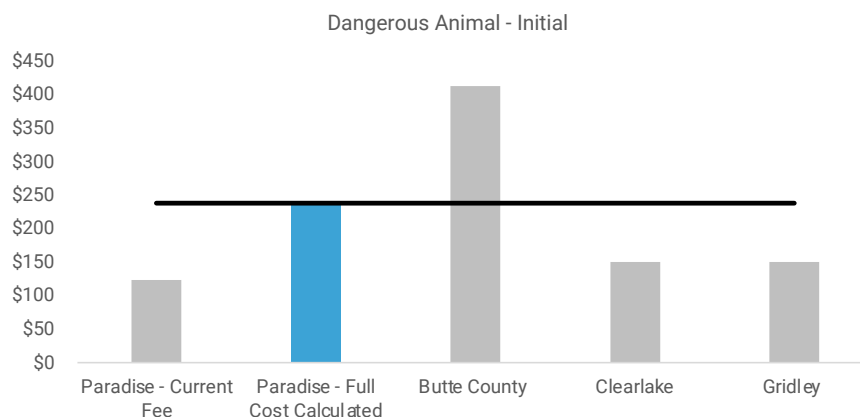
Paradise currently charges a \$22 fee for the surrender of a cat that is altered. Through this study, the full cost was calculated to be \$112. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the lowest and is most comparable to Gridley's fee of \$27. The full cost calculated is the highest and is significantly above the jurisdictional average of \$53.

5 Dangerous Animal - Initial

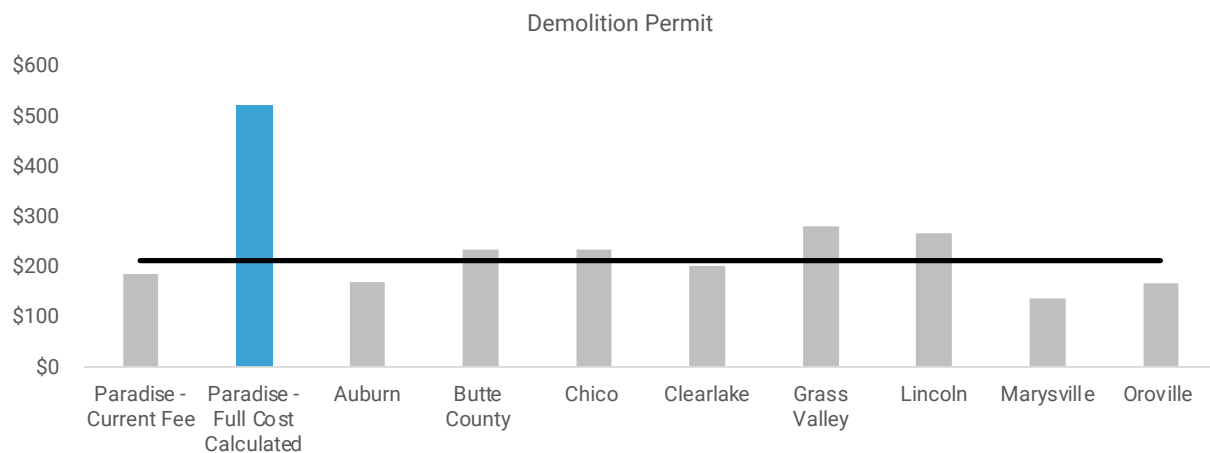
Paradise currently charges a \$122 initial fee for a Dangerous Animal. Through this study, the full cost was calculated to be \$236. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$237 and is most comparable to Gridley (\$150) and Clearlake (\$150). Paradise's full cost calculated is the second highest, below Butte County (\$412).

6 Demolition Permit Fee

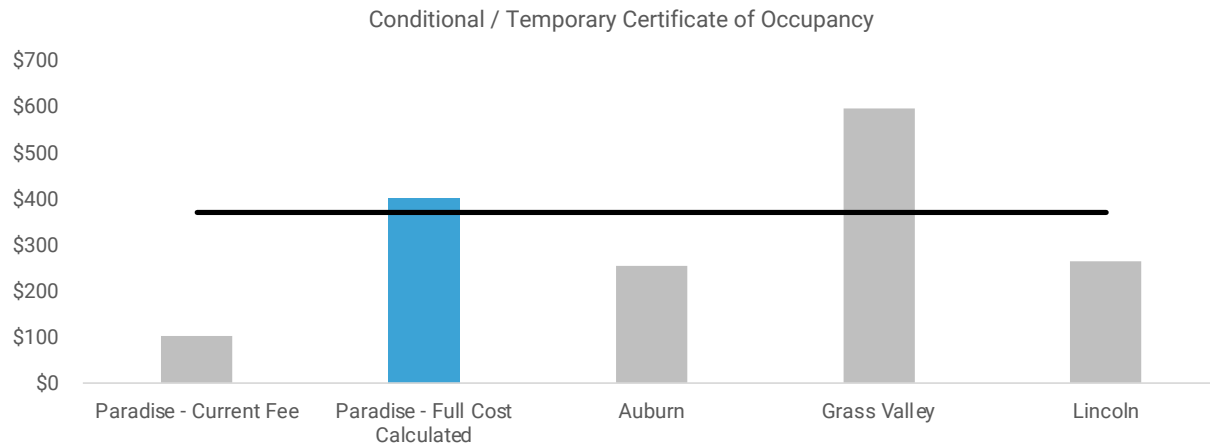
Paradise currently charges a \$185 fee for a Demolition Permit. Through this study, the full cost was calculated to be \$520. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$210 and is most comparable to Auburn (\$169) and Clearlake (\$200). Paradise's full cost calculated is the highest and is well above the jurisdictional average.

7 Conditional/Temporary Certificate of Occupancy

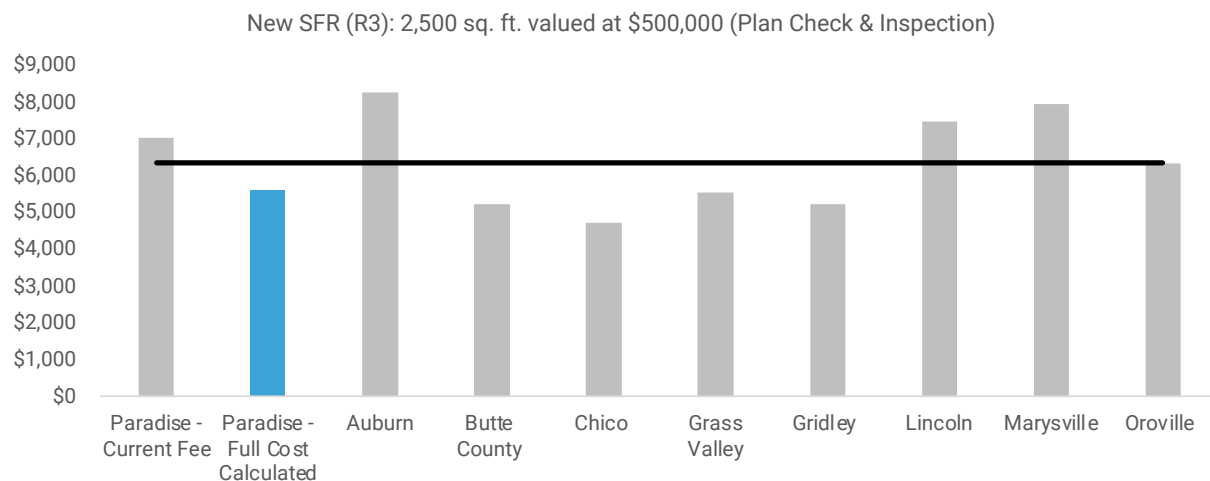
Paradise currently charges \$102 for Temporary Certificate of Occupancy. Through this study, the project team calculated the full cost to be \$403. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the lowest and is below the jurisdictional average of \$372. Paradise's full cost calculated is just above the jurisdictional average and is the second highest fee.

8 New SFR - 2,500 sq. ft. / \$500,000 - R3 (Plan Check & Inspection)

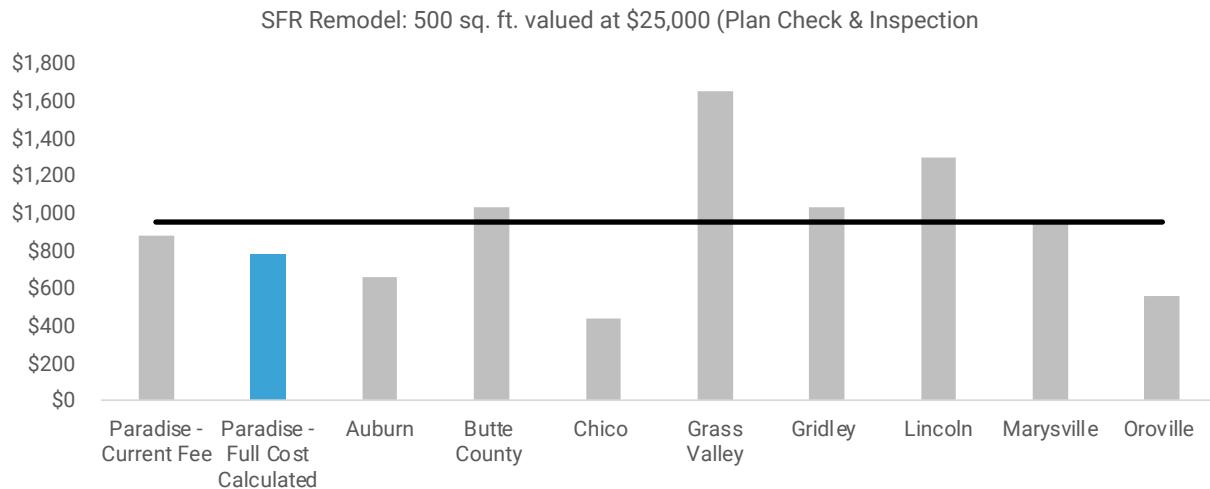
Paradise currently charges \$7,017 for plan check and inspection for a New SFR. Through this study, the project team calculated the full cost to be \$5,571. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is above the jurisdictional average of \$6,325. Its full cost is in alignment with other jurisdictions such as Butte County, Grass Valley, and Gridley.

9 SFR Remodel 500 sq. ft. / \$25,000 (Plan Check & Inspection)

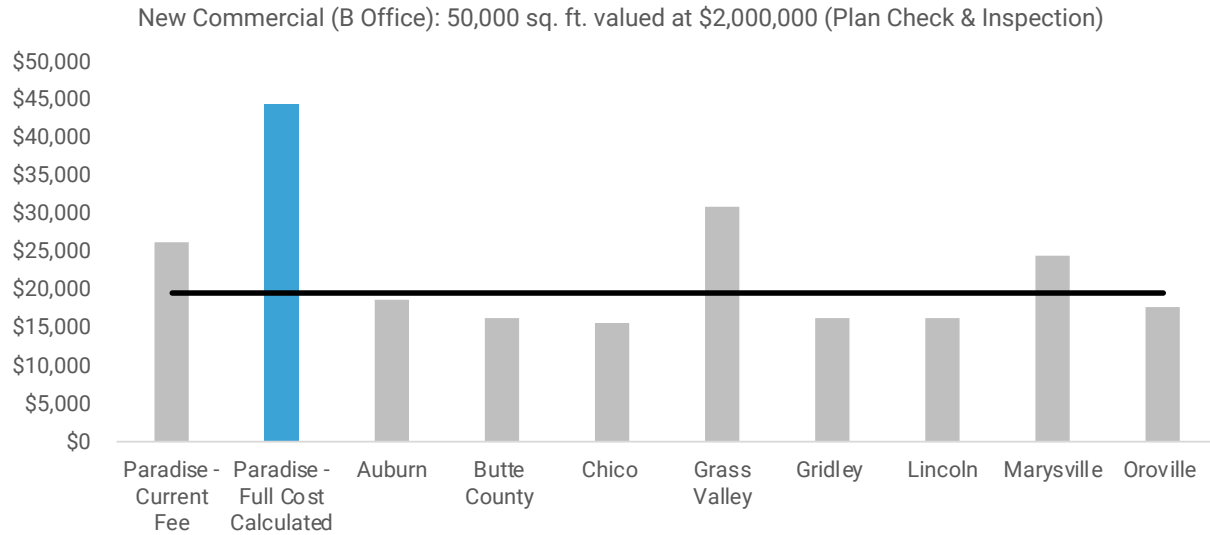
Paradise currently charges \$887 for the plan check and inspection of a SFR Remodel. Through this study, the project team calculated the full cost to be \$779. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee and full cost calculated are both below the jurisdictional average of \$952. At \$1,648, Grass Valley charges the most for this type of service.

10 New Commercial Bldg - 50,000 sq. ft. / \$250,000 – B (Plan Check & Inspection)

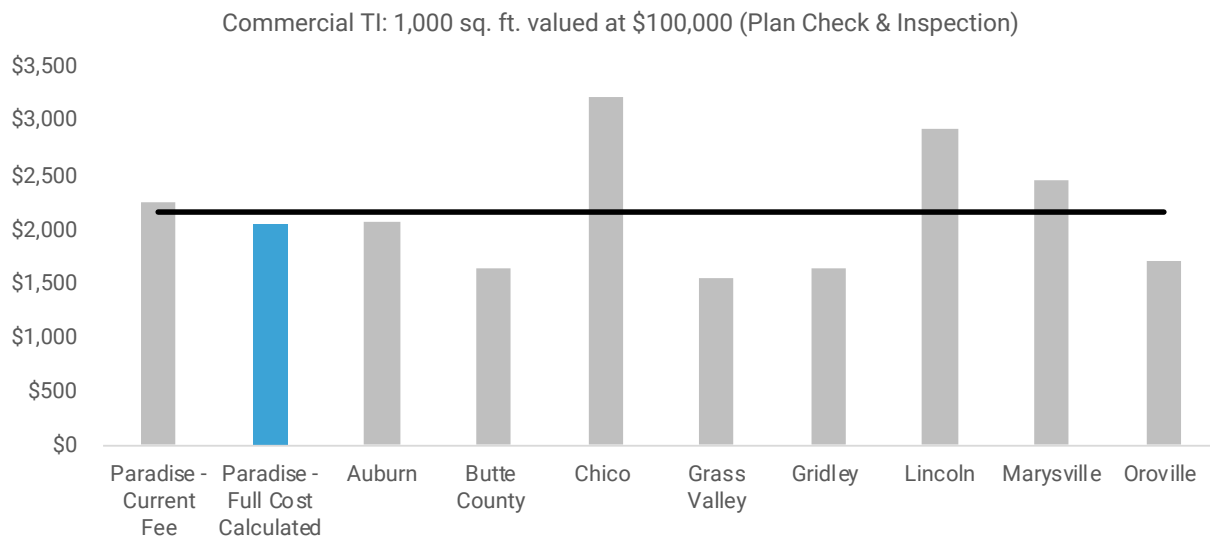
Paradise currently charges \$26,231 for the plan check and inspection of a New Commercial Building. Through this study, the project team calculated the full cost to be \$44,304. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is above the jurisdictional average of \$19,476 and most comparable to Marysville at \$24,475. The full cost calculated is also above the jurisdictional average and is the highest among the surveyed jurisdictions.

11 Commercial TI - 1,000 sq. ft. / \$100,000 (Plan Check & Inspection)

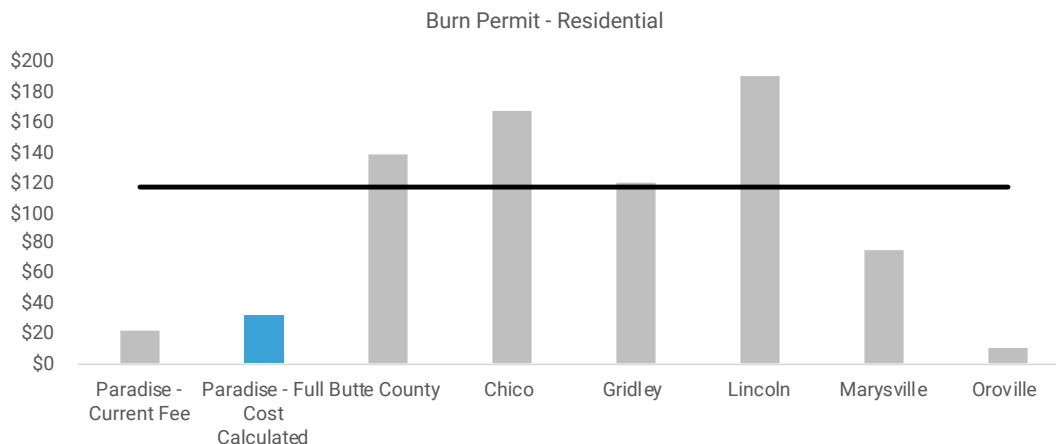
Paradise currently charges \$2,233 for the plan check and inspection of a Commercial TI. Through this study, the project team calculated the full cost to be \$2,035. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee and full cost calculated are roughly aligned with the jurisdictional average of \$2,144. At \$2,063, Auburn is most comparable to both the current and full cost calculated.

12 Burn Permit - Residential

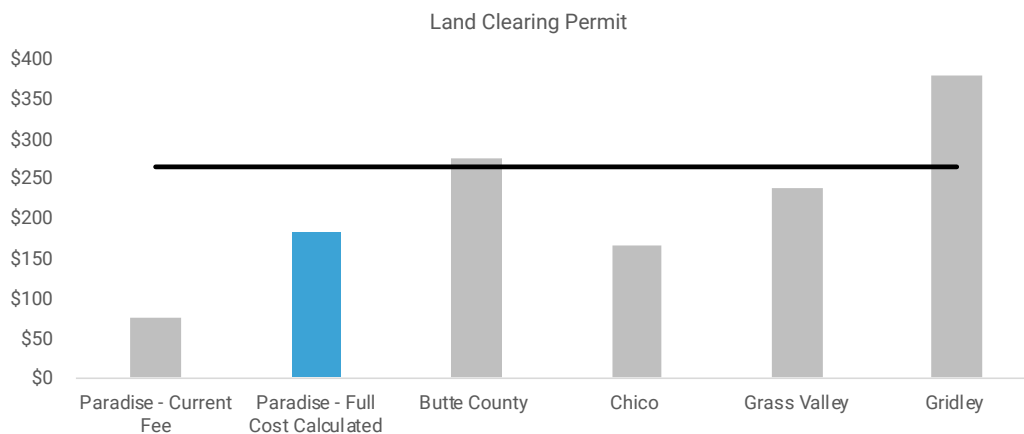
Paradise currently charges \$22 for a Residential Burn Permit. Through this study, the project team calculated the full cost to be \$32. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee and full cost calculated are both significantly lower than the jurisdiction average of \$117. At \$190, Lincoln charged the most for this permit.

13 Land Clearing Permit

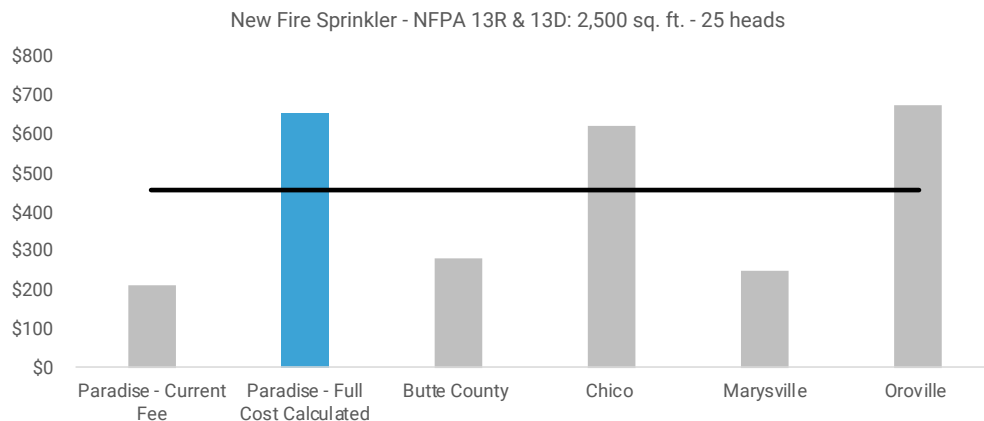
Paradise currently charges \$76 for a Land Clearing Permit. Through this study, the project team calculated the full cost to be \$182. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee and full cost calculated are both below the jurisdictional average of \$265. At \$380, Gridley charges the most for this service, followed by Butte County which charged \$276.

14 Fire Sprinkler - NFPA 13R & 13D (new): 2,500 sq. ft. - 25 heads

Paradise currently charges \$212 for a New Fire Sprinkler. Through this study, the project team calculated the full cost to be \$652. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.

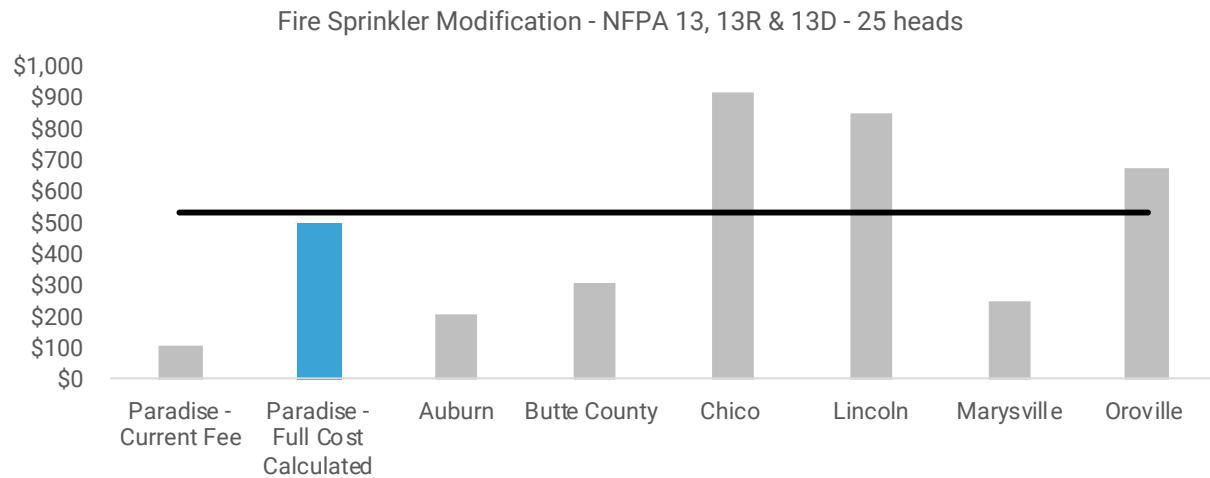


Paradise's current fee is the lowest and is below the jurisdictional average of \$457. Paradise's full cost calculated is the second highest behind Oroville (\$676). Grass Valley charged this fee as a deposit of \$252.

15 Fire Sprinkler - NFPA 13, 13R & 13D (modification): 25 heads

Paradise currently charges \$106 for a Fire Sprinkler Modification. Through this study, the project team calculated the full cost to be \$502. The following graph compares Paradise's

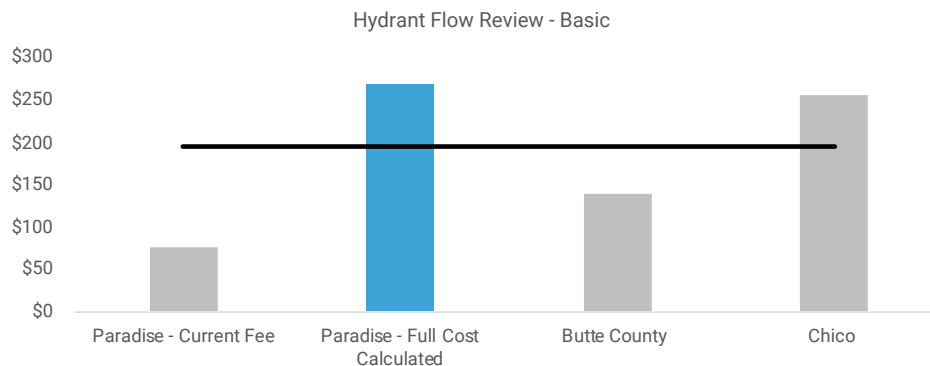
current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the lowest and is well below the jurisdictional average of \$536. The full cost calculated is also below the average and is most comparable to Oroville (\$676). Grass Valley charges this fee as a deposit of \$632.

16 Hydrant Flow Review - Basic

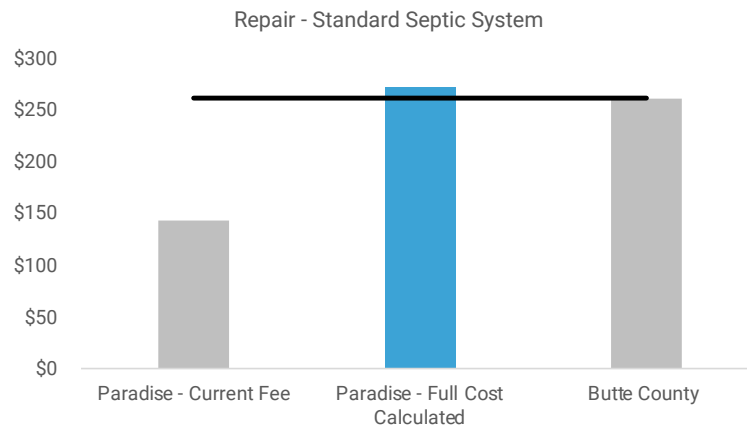
Paradise currently charges \$77 for a Hydrant Flow review. Through this study, the project team calculated the full cost to be \$268. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$194. The calculated full cost is the highest and is roughly aligned with Chico's fee of \$255. Grass Valley charges this fee as a deposit of \$189.

17 Repair - Standard Septic System

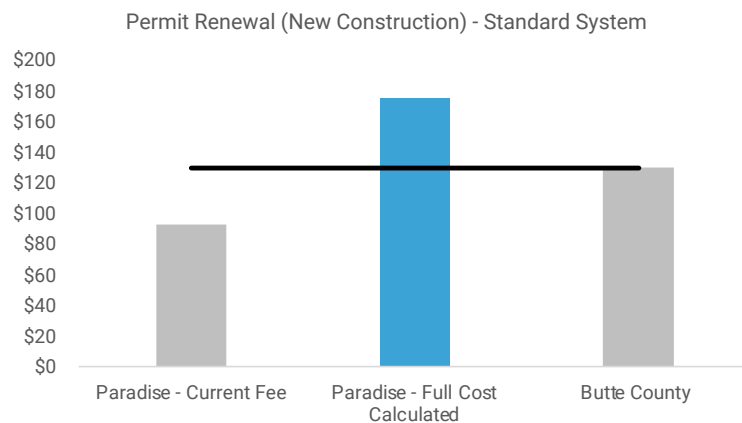
Paradise currently charges \$143 for a Standard Septic System. Through this study, the project team calculated the full cost to be \$272. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Except for Butte County, all other surveyed jurisdictions do not charge this fee. The full cost calculated is roughly aligned with the fee charged by Butte County (\$261).

18 Permit Renewal (New Construction) - Standard System

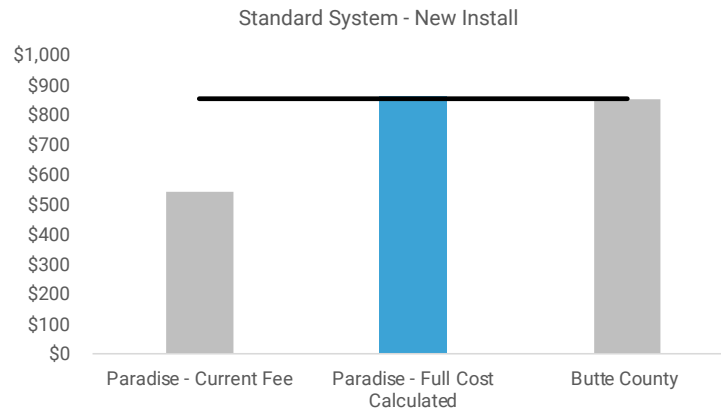
Paradise currently charges \$93 for a New Construction Permit Renewal. Through this study, the project team calculated the full cost to be \$176. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Except for Butte County, all other surveyed jurisdictions do not charge this fee. The full cost calculated is higher than the fee charged by Butte County (\$130), while the current fee is lower.

19 Standard System - New Install

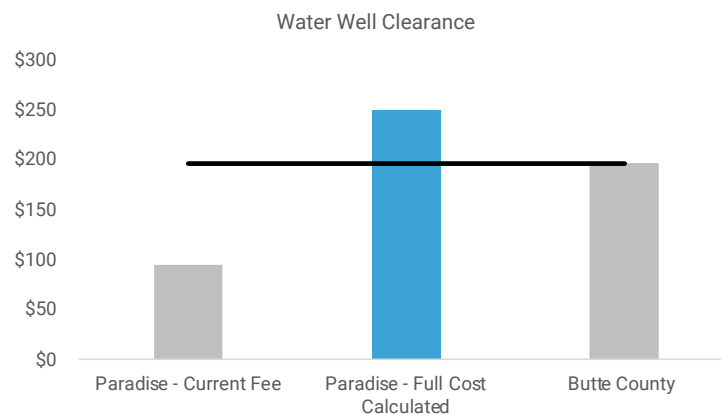
Paradise currently charges \$544 for a Standard System. Through this study, the project team calculated the full cost to be \$865. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Except for Butte County, all other surveyed jurisdictions do not charge this fee. The full cost calculated roughly aligned with the fee charged by Butte County (\$865).

20 Water Well Clearance

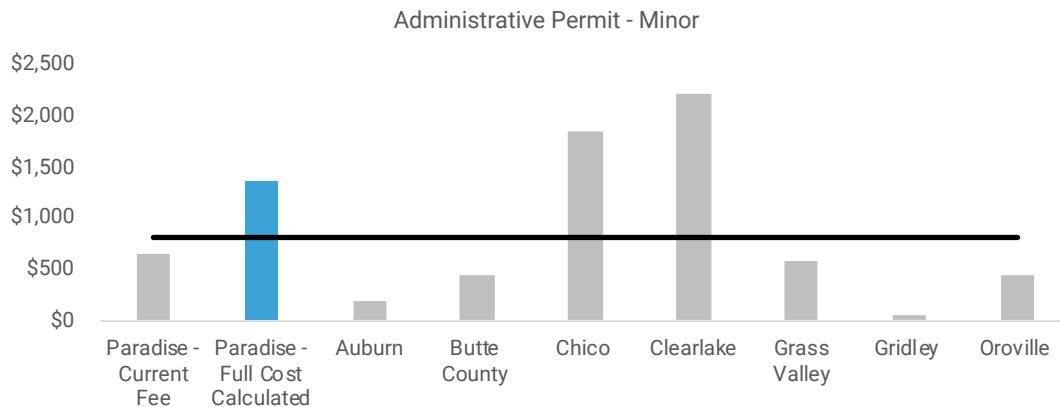
Paradise currently charges \$94 for Water Well Clearance. Through this study, the project team calculated the full cost to be \$248. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Except for Butte County, all other surveyed jurisdictions do not charge this fee. The full cost calculated is higher than the fee charged by Butte County (\$196), while the current fee is lower.

21 Administrative Permit – Minor

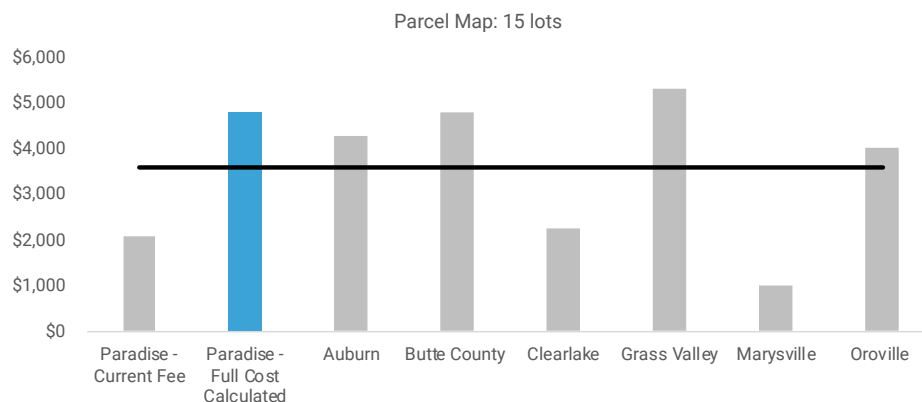
Paradise currently charges \$652 for an Administrative Permit for a Minor. Through this study, the project team calculated the full cost to be \$1,349. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is most comparable to Grass Valley (\$562) and Oroville (\$435). Paradise's full cost calculated is above the jurisdictional average of \$812 and is most comparable to the fee charged by Chico (\$1,829).

22 Parcel Map (15 lots)

Paradise currently charges \$2,074 for a Parcel Map (15 lots). Through this study, the project team calculated the full cost to be \$4,782. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.

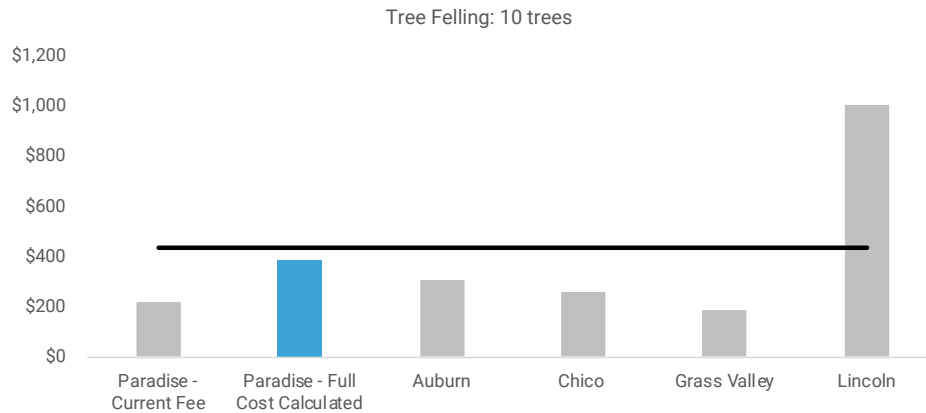


Paradise's current fee is the second lowest, behind Marysville which charges \$1,000. The full cost calculated is in above the jurisdictional average of \$3,596 and is most

comparable to Butte County at \$4,792. Chico and Gridley both charge this fee as a deposit of \$13,679 and \$1,250, respectively.

23 Tree Felling - 10 trees

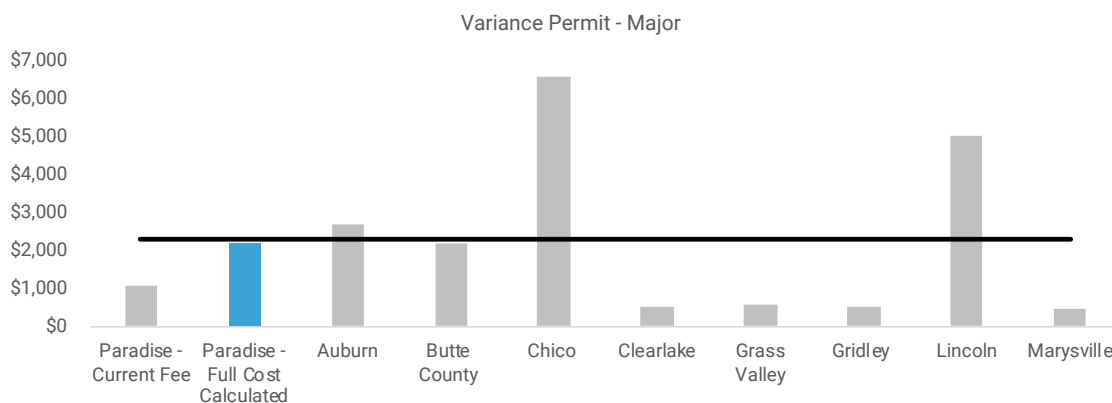
Paradise currently charges \$219 for a Tree Felling. Through this study, the project team calculated the full cost to be \$385. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$435 and is most comparable with Chico (\$257). The full cost calculated is roughly in line with the jurisdictional average and is most comparable to Auburn (\$300).

24 Variance Permit - Major

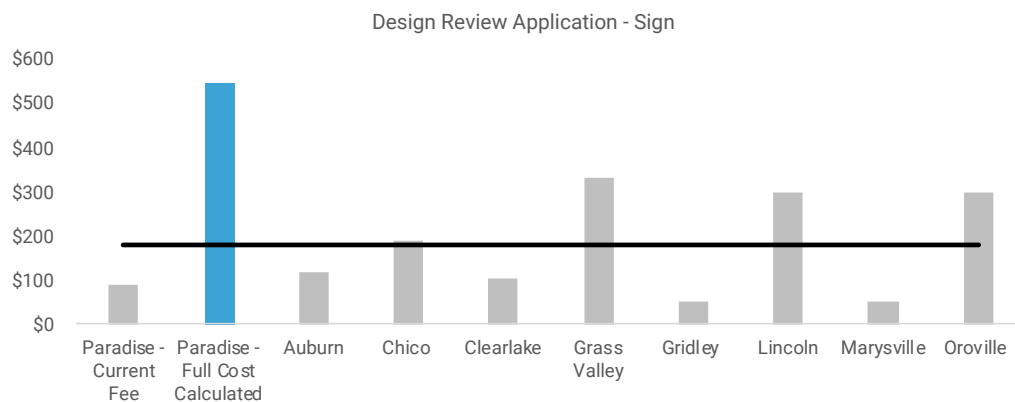
Paradise currently charges \$1,037 for a Variance Permit. Through this study, the project team calculated the full cost to be \$2,168. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is most comparable with Butte County's fee of \$2,153. Paradise's full cost calculated fee is roughly in alignment with the jurisdictional average of \$2,298. Oroville charges this fee as a deposit of \$3,500.

25 Design Review Application - Sign

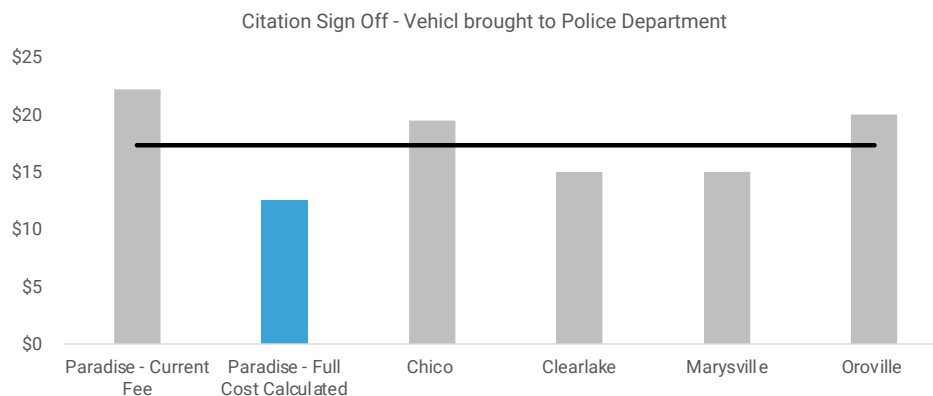
Paradise currently charges \$88 for a Design Review Application. Through this study, the project team calculated the full cost to be \$543. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



When compared to surveyed jurisdictions, Paradise's full cost calculated is the highest for this service and is significantly above the jurisdictional average of \$180. Paradise's current fee is below the average and is most comparable with Clearlake's fee of \$102.

26 Citation Sign Off - Vehicle brought to Police Department

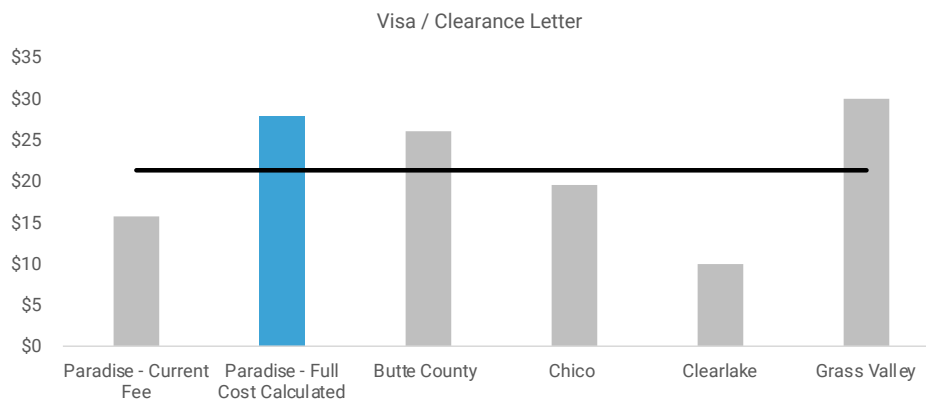
Paradise currently charges a \$22 fee for a Citation Sign Off. Through this study, the project team calculated the full cost to be \$13. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the highest and above the jurisdictional average of \$17. The full cost calculated is the lowest and is most comparable with Clearlake (\$15) and Marysville (\$15).

27 Visa/Clearance Letter

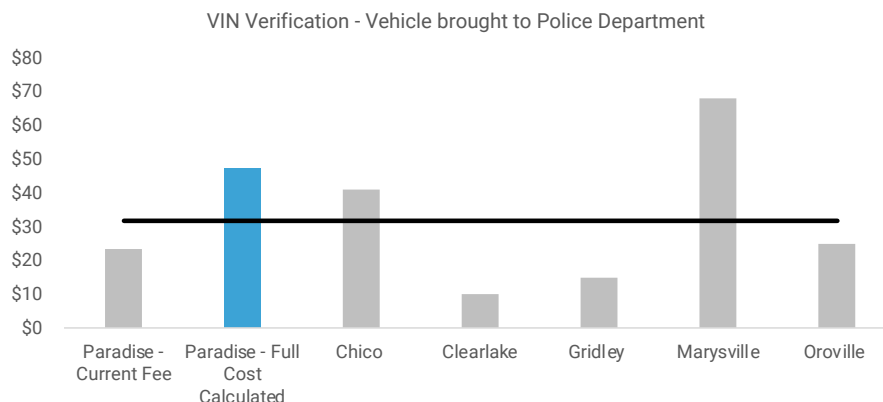
Paradise currently charges \$16 fee for a Visa/Clearance Letter. Through this study, the project team calculated the full cost to be \$28. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$21 and is most comparable to Chico (\$20). Paradise's full cost calculated is above the average and the second highest, behind Grass Valley (\$30).

28 VIN Verification - Vehicle brought to Police Department

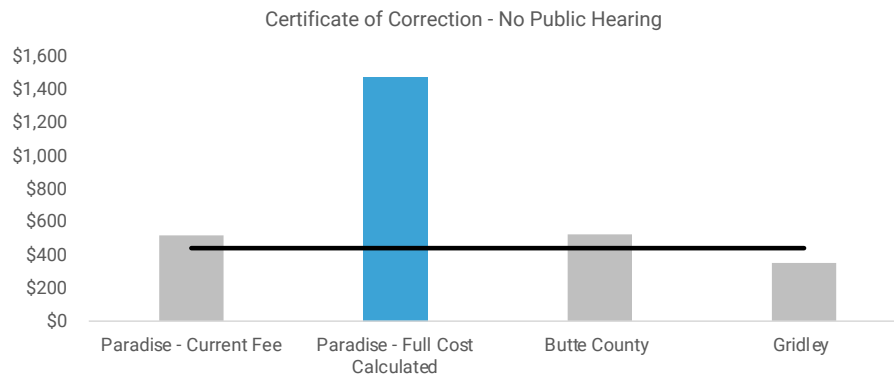
Paradise currently charges \$23 for a VIN Verification. Through this study, the project team calculated the full cost to be \$47. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is most comparable with Oroville (\$25). Paradise's full cost calculated is above the jurisdictional average of \$32 and most comparable to Chico (\$41).

29 Certificate of Correction - No Public Hearing

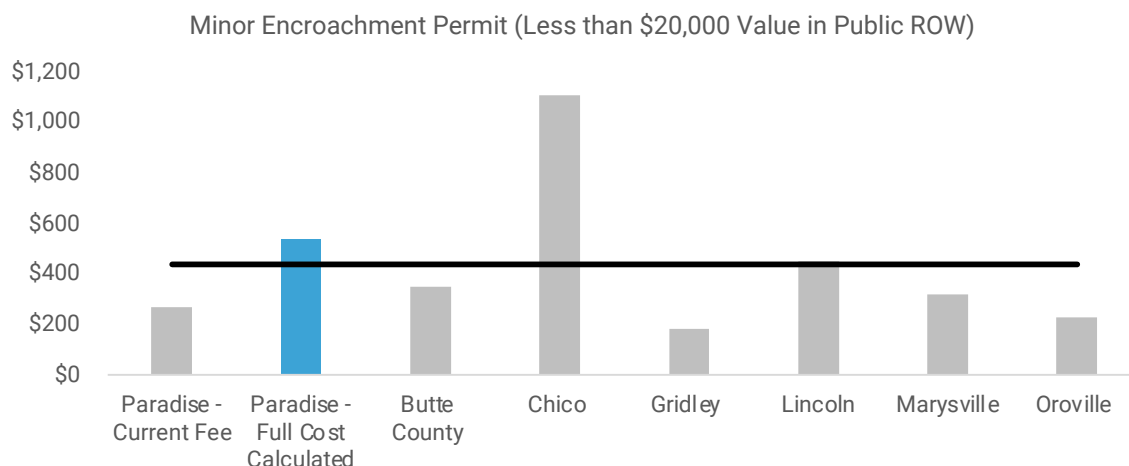
Paradise currently charges \$518 for a Certificate of Correction. Through this study, the project team calculated the full cost to be \$1,470. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's full cost calculated is the highest and is well above the jurisdictional average of \$438. Paradise's current fee is most comparable to the fee charged by Butte County (\$525). Lincoln charges this fee as a deposit of \$438.

30 Minor Encroachment Permit (Less than \$20,000 Value in Public ROW)

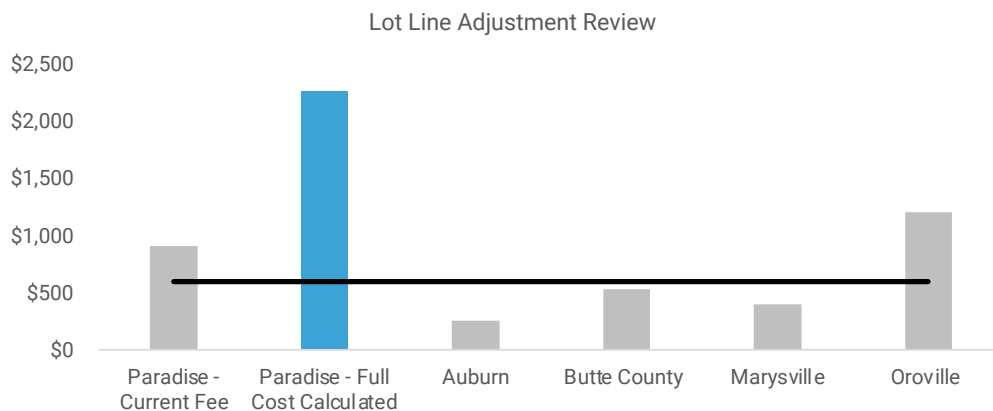
Paradise currently charges \$266 for a Minor Encroachment Permit. Through this study, the project team calculated the full cost to be \$531. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is below the jurisdictional average of \$437. Paradise's full cost calculated above the average and is most comparable to Lincoln (\$447). At \$1,105, Chico charges the most for this service.

31 Lot Line Adjustment Review

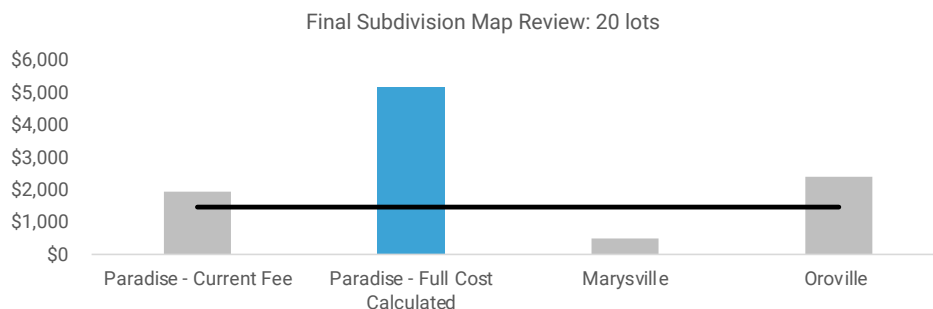
Paradise currently charges a fee of \$907 for a Lot Line Adjustment Review. Through this study, the project team calculated the full cost to be \$2,257. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee and full cost calculated are well above the jurisdictional average of \$596 and are most comparable with Oroville (\$1,200). Lincoln charges this fee as a deposit of \$3,000.

32 Final Subdivision Map Review - 20 lots

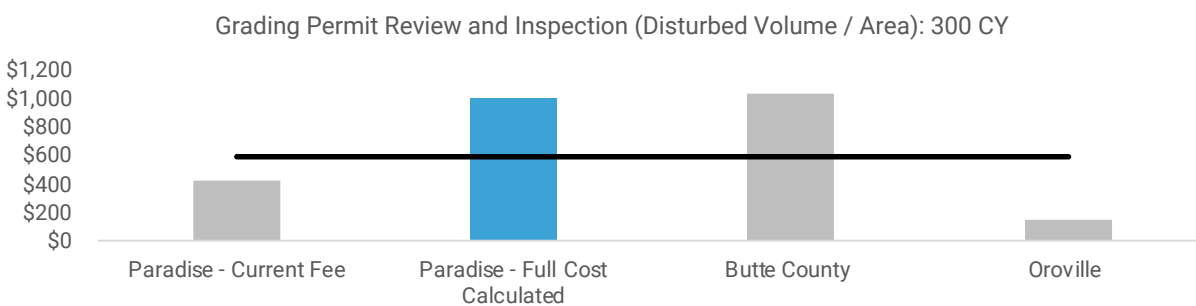
Paradise currently charges a fee of \$1,944 for Final Subdivision Map Review. Through this study, the project team calculated the full cost to be \$5,150. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the second lowest and is most comparable with Oroville (\$2,400). Paradise's full cost calculated is the highest and is significantly higher than the jurisdictional average of \$1,450. Lincoln (\$15,000), Grass Valley (\$9,330), Butte County (\$4,368), and Gridley (\$2,500) charge this fee as a deposit.

33 Grading Permit Review and Inspection (Disturbed Volume / Area): 300 CY

Paradise currently charges \$425 for a Grading Permit Review and Inspection. Through this study, the project team calculated the full cost to be \$1,000. The following graph compares Paradise's current fee and calculated full cost to those of surveyed jurisdictions.



Paradise's current fee is the second lowest, above Oroville (\$150) and below the jurisdictional average of \$590. Paradise's full cost calculated is above the jurisdictional average and is most comparable with Butte County (\$1,029). Lincoln (\$14,500) and Grass Valley (\$4,015) charge this fee as a deposit.

Summary

Overall, Paradise generally has current fees that are lower than the average cost charged by surveyed jurisdictions, and calculated full costs which are higher. With the exception of the change to the building permitting fees. For those fees, the Town's full cost is more in alignment with other jurisdictions.

Of the surveyed jurisdictions, Paradise's current fees are most comparable with Butte County, Auburn, Clearlake, and Oroville. Paradise's full cost calculated is most comparable to fee charged in Auburn, Chico, Grass Valley, and Marysville.

It is important to note that the results of this survey only show the fees adopted by the council, not the cost recovery policy decisions for departments or a jurisdiction. As such, the results of this survey should be used as a secondary decision-making tool.



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 6(d)

ORIGINATED BY: Tony Lindsey, Community Development Director –
Building & Code Enforcement

REVIEWED BY: Jim Goodwin, Town Manager
Scott Huber, Town Attorney

SUBJECT: Approve and adopt Resolution No. 2025-____ A Resolution of the Town Council of the Town of Paradise adopting a policy requiring subcontractor verification throughout the construction inspection process and affirming consensus on the effective processes implemented July 28, 2025.

LONG-TERM RECOVERY PLAN: Yes – Tier 2 Contractor Accountability

COUNCIL ACTION REQUESTED:

1. Provide staff with verbal concurrence and/or direction on the effective processes implemented on July 28, 2025.; and,
2. Adopt Resolution No. 2025-__, “A Resolution of the Town Council of the Town of Paradise adopting a policy requiring subcontractor verification throughout the construction inspection process.”; or,
3. Provide alternative directions for the Town staff.

Background:

Council directions were given to staff at the July council meeting to implement a policy requiring the general contractor or property owner-builder to submit a verified list of subcontractors, among other consumer protections.

The Town of Paradise continues to experience high levels of construction activity as part of its ongoing recovery and rebuilding efforts. Ensuring transparency and accountability in the construction process is essential for maintaining construction quality, identifying responsible parties, and supporting the enforcement of licensing requirements under California law.

Under the Business and Professions Code § 7031.5 and Labor Code § 2750.5, subcontractors performing work that requires licensure must be appropriately licensed and disclose their licensure status. Additionally, accurate subcontractor information facilitates the Town's coordination with state enforcement agencies, such as the Contractors State License Board (CSLB), Department of Industrial Relations (DIR), and Cal/OSHA, when investigating complaints or ensuring code compliance.

Analysis:

To improve oversight and accountability during the construction process, the staff proposes requiring:

1. Subcontractor Verification at Each Inspection:
 - At the time of each scheduled building inspection (e.g., foundation, framing,

electrical, final), the permit holder must provide a list of subcontractors who have performed or are performing work relevant to the scope being inspected.

2. Complete Subcontractor List at Final Inspection:

- A comprehensive, final list of all subcontractors who worked on the project shall be submitted as a condition of final inspection approval and/or certificate of occupancy issuance.

This requirement would apply to all permitted construction projects, whether performed by licensed general contractors or owner-builders, and ensure the Town maintains a complete and accurate record of responsible parties.

Requiring a verified subcontractor list at each inspection and a comprehensive list at final inspection promotes transparency, safety, and compliance in the Town's construction process. The policy also supports consumer protection, construction quality assurance, and deters unlicensed or unauthorized subcontracting. It provides valuable documentation for post-inspection investigations or warranty-related inquiries, aligning with state enforcement objectives and reporting standards. Staff recommend that the Council direct implementation of this policy through the attached resolution document.

Additional process updates that became effective July 28, 2025

1. Restriction on Authorization of Agent:

- Owner-Builder permits will no longer be accepted through authorized agents. Permits must be signed by the legal property owner or a licensed contractor acting within their scope of work. This prevents misuse of the Owner-Builder designation and protects future property owners.

2. Existing Permits Update:

- Any currently issued permit obtained through an authorized agent must be updated and re-signed by the legal property owner or a licensed contractor. Permits not corrected by July 28th were suspended.

3. Site Inspections for Unlicensed Contracting:

- The Town has implemented joint Code Enforcement and Police Department visits to active construction sites to identify unlicensed activity. All personnel must have contractor licenses and proof of applicable insurance available on-site to avoid enforcement actions, including stop work orders, permit revocation, or felony prosecution.

Financial Impact:

There is no direct fiscal impact. Minor staff time will be needed to collect and file subcontractor information, which can be incorporated into existing inspection protocols.

Attachment:

1. Town Resolution No. 2025-___, "A Resolution of the Town Council of the Town of Paradise adopting a policy requiring subcontractor verification throughout the construction inspection process."

**TOWN OF PARADISE
RESOLUTION NO. 2025-_____**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE ADOPTING A
POLICY REQUIRING SUBCONTRACTOR VERIFICATION THROUGHOUT THE
CONSTRUCTION INSPECTION PROCESS**

WHEREAS the Town of Paradise is committed to ensuring construction quality, contractor accountability, and public safety in all permitted building activities; and

WHEREAS California law requires subcontractors performing work requiring a contractor's license to be duly licensed and disclosed, pursuant to the Business and Professions Code and Labor Code; and

WHEREAS the Town finds that collecting and verifying subcontractor information throughout the construction process supports enforcement efforts, protects consumers, and provides a record of responsible parties for each permitted project; and

WHEREAS implementing a standardized procedure for obtaining subcontractor lists at key inspection points will improve transparency, deter unlicensed activity, and enhance coordination with oversight agencies such as the Contractors State License Board (CSLB) and the Department of Industrial Relations (DIR);

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Paradise as follows:

Section 1. The Town of Paradise shall require the permit holder (whether a licensed contractor or owner-builder) to provide a verified list of subcontractors who have performed or are performing work at the time of each scheduled building inspection.

Section 2. As a condition of final inspection approval and/or issuance of a certificate of occupancy, the permit holder shall submit a comprehensive and complete list of all subcontractors who worked on the project.

Section 3. The Community Development Director is authorized to develop and distribute administrative procedures, forms, and informational materials necessary to implement this policy.

Section 4. This resolution shall apply to all building permits currently issued and to any permits issued on or after the effective date of this resolution.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Town Council of the Town of Paradise on this 12th day of August, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Crowder, Mayor

ATTEST:

Melanie Elvis, Town Clerk/Elections Official

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



Town of Paradise
Community Development Department
Building Resiliency Center
6295 Skyway
Paradise, CA 95969
(530) 872-6291 x411

A complete list of subcontractors is required at each scheduled inspection, and a comprehensive list of all subcontractors must be submitted before the final inspection. This final list must also be included in the Operation and Maintenance Manual. Each entry must consist of the subcontractor's name, contact information, license number, and a copy of their applicable insurance policy. (i.e. LLC = Liability, Any Employees = Workers Comp)

Building Permit #: _____

Project Address: _____

Contractor/Owner Builder: _____

Septic Permit #: _____

Contractor/Owner Builder: _____

Date of Septic Tank Installation: _____ Size of Septic Tank: _____

Date of Leach Field Installation: _____ Bedroom Capacity: _____

Site Preparation & Foundation

- **Grading/Excavation Contractor** – levels and prepares the site/digs trenches for footings; A or C-12

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Special Inspector** – compaction testing/report

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Surveyor** – confirms property lines and foundation placement

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Concrete/Foundation Contractor** – pours footings, slabs, stem walls, or piers; B or C-8

Name: _____ Lic #: _____

Address: _____ Phone #: _____

Structural & Framing

- **Framing Contractor** – installs structural framing (walls, floors, roof); B or C-5

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Sheathing/Subfloor Installer** – applies plywood/OSB on floors, walls, and roof; B or C-5

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Steel/Erection Contractor** – for homes with structural steel components; C-51

Name: _____ Lic #: _____

Address: _____ Phone #: _____

Rough-In Systems

- **Plumbing Contractor** – installs water lines, waste pipes, gas lines; C-36

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Electrical Contractor** – installs wiring, panels, outlets, and lighting circuits; C-10

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **HVAC Contractor** – installs ductwork, furnaces, AC units, and ventilation; C-20

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **HERS Rater** – Tests and verifies HVAC and Energy efficiency; C-20

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Low Voltage Contractor** – installs data, audio, security, and alarm systems; C-7

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Fire Sprinkler Contractor** – installs interior fire sprinkler system; C-16

Name: _____ Lic #: _____

Address: _____ Phone #: _____

Exterior Envelope

- **Roofing Contractor** – installs shingles, metal, tile, etc.; C-39

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Siding/Stucco Contractor** – applies exterior cladding; C-35

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Window Installer** – sets exterior windows; C-17

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Insulation Contractor** – installs wall and attic insulation; C-2

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Gutter Installer** – optional but common; C-43

Name: _____ Lic #: _____

Address: _____ Phone #: _____

Interior Finishes

- **Drywall Contractor** – hangs and finishes interior drywall; C-9

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Finish Carpenter** – installs trim, doors, baseboards, cabinets; C-6 or D-28

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Painting Contractor** – paints walls, trim, and finishes; C-33

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Tile Setter** – installs tile in kitchens, baths, and flooring; C-54

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Flooring Contractor** – installs carpet, wood, vinyl, or laminate; C-15

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Countertop Installer** – places quartz, granite, or laminate tops; C-6

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Glass/Mirror Installer** – installs shower enclosures and mirrors; C-17

Name: _____ Lic #: _____

Address: _____ Phone #: _____

Final Site Work & Exterior Features

- **Concrete/Flatwork Contractor** – pours driveways, sidewalks, patios; C-8

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Landscape Contractor** – installs plants, irrigation, retaining walls, etc.; C-27

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Fencing Contractor** – installs perimeter or decorative fencing; C-13

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Deck/Patio Installer** – builds outdoor structures; B or C-5

Name: _____ Lic #: _____

Address: _____ Phone #: _____

- **Solar/Photovoltaic system** – rooftop or ground mount, offset energy consumption; C-46

Name: _____ Lic #: _____

Address: _____ Phone #: _____

If a contractor is changed, it is the permit holder's responsibility to promptly update this list by submitting a revised contractor form to the Town.

I declare under the penalty of perjury under the laws of the State of California that the information provided in this subcontractor list is true and correct to the best of my knowledge. I understand that any false statement or omission of required information may result in felony prosecution.

Signature: _____

Name (Print): _____ Date: _____

For more information regarding project inspections, submittal paperwork, building plans, or septic tank and leach field placement, contact the Building Resiliency Center located at 6295 Skyway, (530) 872-6291 extension 411 Hours: Monday AM – 5:00 PM, Tuesday–Friday 8:00 AM – 5:00 PM, Closed daily from 12:00 PM – 1:00 PM.



Town of Paradise
Council Agenda Summary
Date: August 12, 2025

Agenda Item: 6(e)

ORIGINATED BY: Scott E. Huber, Town Attorney
REVIEWED BY: Crystal Peters, Human Resources & Risk Management Director
SUBJECT: Modification to Employment Contract with Town Manager – 2nd Amendment
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Consider approving the Second Amendment to Employment Agreement Between the Town of Paradise and James Goodwin; or
2. Provide alternative direction

Background:

During a review and amendment of the employment agreement related to employee benefits, the adjustment to the salary offered to all employees (a 4% increase) was inadvertently omitted from the Amendment to the Employment contract. Council directed the Town Attorney to bring this matter back for consideration by the Council.

Analysis:

The Council adjusted the benefits received by all staff, including an amendment to the Employment Agreement with the Town Manager to incorporate those modifications. During the approval of the budget, a new salary schedule was implemented that provided a 4% increase across the employee compensation schedule.

The Town Manager's employment contract can only be amended by specific action of the Council. The approval of the compensation adjustment for other Town employees does not automatically apply to the Town Manager. As such, a contract amendment must be approved to effectuate any change. As a result, the Town Council directed the Town Attorney to prepare this contract amendment for consideration by the Council.

Financial Impact:

Nominal increase in the cost of the agreement.

**SECOND AMENDMENT TO EMPLOYMENT AGREEMENT BETWEEN
THE TOWN OF PARADISE AND JAMES GOODWIN**

This Second Amendment, dated August 12, 2025, is to the Employment Agreement ("Agreement") effective July 11, 2023, between the Town of Paradise ("Town") and James Goodwin. ("Goodwin").

In consideration of the terms and conditions herein, the Town and Goodwin agree that the Agreement shall be amended as follows:

1. Exhibit A of the July 11, 2023 Agreement is amended and replaced with the August 12, 2025 version of Exhibit A that is attached to this Second Amendment to the Agreement and is incorporated by reference, which serves to adjust the salary by the same four percent cost of living as all other employees, and shall be retroactive to July 1, 2025.

2. Conflicts between this Second Amendment to the Agreement and the Agreement, including prior amendments, shall be controlled by this Second Amendment. All other provisions within the Agreement not modified by this Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

TOWN OF PARADISE

Steve Crowder, Mayor

James Goodwin
Town Manager

APPROVED AS TO FORM:

ATTEST

Scott E. Huber, Town Attorney

Melanie Elvis, Town Clerk

TOWN OF PARADISE SALARY PAY PLAN
TOWN MANAGER
Exhibit "A"

Position Title	Hours/ Week	A Step	B Step	C Step	D Step	E Step	F Step
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TOWN MANAGER

Effective July 1, 2025

HOURLY	40	81.27	85.33	89.60	94.08	98.78	103.72
BIWEEKLY		6,501.60	6,826.40	7,168.00	7,526.40	7,902.40	8,297.60
MONTHLY		14,086.80	14,790.53	15,530.67	16,307.20	17,121.87	17,978.13
ANNUAL		169,041.60	177,486.40	186,368.00	195,686.40	205,462.40	215,737.60