PINOLE CITY COUNCIL
AGENDA

NOTE: There is no closed session. Regular meeting will start at 6:00 P.M.

TUESDAY
MAY 7, 2019

6:00 P.M.

2131 Pear Street, Pinole, California

Peter Murray, Mayor
Roy Swearingen, Mayor Pro Tem
Norma Martinez-Rubin, Council Member
Vincent Salimi, Council Member
Anthony Tave, Council Member

Public Comment: The public is encouraged to address the City Council on any matter listed on the agenda or on any other matter within its jurisdiction subject to the rules of decorum described in Council Resolution 2019-03. If you wish to address the City Council, please complete the gold card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters **not** listed on the agenda during Citizens to be Heard, Agenda Item 5.

Americans With Disabilities Act: In compliance with the Americans With Disabilities Act of 1990, if you need special assistance to participate in a City Meeting or you need a copy of the agenda, or the agenda packet in an appropriate alternative format, please contact the City Clerk's Office at (510) 724-8928. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. Assisted listening devices are available at this meeting. Ask the City Clerk if you desire to use this device.

Note: Staff reports are available for inspection at the Office of the City Clerk, City Hall, 2131 Pear Street during regular business hours, 8:00 a.m. to 4:30 p.m. Monday – Thursday, and on the City Website at www.ci.pinole.ca.us. You may also contact the City Clerk via e-mail at hiopu@ci.pinole.ca.us

COUNCIL MEETINGS ARE TELEVISED LIVE ON CHANNEL 26. They are retelecast the following Thursday at 6:00 p.m. The Community TV Channel 26 schedule is published on the city's website at www.ci.pinole.ca.us. City Council meetings are video-streamed live on the City's website, and remain archived on the site for five (5) years.

Ralph M. Brown Act. Gov. Code § 54950. *In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly. The people of this State do not yield their sovereignty to the agencies, which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.*

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

An official who has a conflict must, prior to consideration of the decision: (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself /herself from discussing and voting on the matter; and (3) leave the room until after the decision has been made, Cal. Gov't Code § 87105.

3. CONVENE TO A CLOSED SESSION

Citizens may address the Council regarding a Closed Session *item prior to the Council adjourning into the Closed Session, by first providing a speaker card to the City Clerk.*

NO CLOSED SESSION SCHEDULED

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

5. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes, and is subject to modification by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

1. Recognizing May 9-19 2019 as Affordable Housing Week
2. Recognizing May 12-19, 2019 as National Police Week

B. Presentations / Recognitions

1. Introduction of Therapy Dog Milo (Gang)
2. Introduction of new Fire Department Management Analyst, Leticia Andreas (Kouns)
3. Fire Hazard Abatement Day Announcement (Kouns)
4. Public Works/Building/Planning Update (T. Miller/Hortert)
5. Quarterly Code Enforcement Update (T. Miller)

7. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine and noncontroversial. These items will be enacted by one motion and without discussion. If, however, any interested party or Council member(s) wishes to comment on an item, they may do so before action is taken on the Consent Calendar. Following comments, if a Council member wishes to discuss an item, it will be removed from the Consent Calendar and taken up in order after adoption of the Consent Calendar.

A. Approve the Minutes of the Meeting of April 16, 2019

B. Receive the April 13, 2019 – May 3, 2019 List of Warrants in the Amount of $422,984.57 and the April 19, 2019 Payroll in the Amount of $378,804.42 and the May 3, 2019 Payroll in the Amount of $383,853.63.

C. Adopt A Resolution Approving A Two Hundred And Seventy (270) Day Exclusive Negotiating Agreement With Housing Consortium Of The East Bay For The Development Of 811 San Pablo Avenue (De La Rosa)

D. Approve An Amendment To The Contract And Issue A Task Order For 4 Leaf Inc. For A Contract Planning Manager In An Amount Not To Exceed $100,000, And Amend The Budget Appropriation (T. Miller)

E. Approval Of The Resolution Supporting The Contra Costa County Jurisdictions' Housing And Policy Framework Of April 2019 (Fitzer)

F. Review and Approve Updated Fiscal Policies (A. Miller)

G. Approve An Amendment To The Professional Services Agreement With Carollo Engineers For The Pinole Hercules Water Pollution Control Plant Upgrade Project In An Amount Not To Exceed $348,920 (T. Miller)

H. Receive The Quarterly Investment Report For The Quarter Ending March 31, 2019, And Authorize Staff To Invest Additional Funds In Long-Term Securities (A. Miller)

8. PUBLIC HEARINGS

Citizens wishing to speak regarding a Public Hearing item should fill out a speaker card prior to the completion of the presentation, by first providing a speaker card to the City Clerk. An official who engaged in an ex parte communication that is the subject of a Public Hearing must disclose the communication on the record prior to the start of the Public Hearing.

NONE

9. OLD BUSINESS

NONE

10. NEW BUSINESS

A. Consider A Request From La Casita Bilingüe Montessori School's Fundraising Committee In Pinole For A Refund Of The Rental Fee For Fernandez Park BBQ Area On May 11, 2019 **[Action: Consider Authorization of Fee Refund and Adoption of Resolution Per Staff recommendation (De La Rosa)]**

11. REPORTS & COMMUNICATIONS

A. Mayor Report
   1. Announcements

B. Mayoral & Council Appointments

C. City Council Committee Reports & Communications

D. Council Requests For Future Agenda Items

E. City Manager Report / Department Staff

F. City Attorney Report

12. ADJOURNMENT to the Joint City Council and West Contra Costa Unified School District Meeting of May 13, 2019 In Remembrance of Amber Swartz.

I hereby certify under the laws of the State of California that the foregoing Agenda was posted on the bulletin board at the main entrance of Pinole City Hall, 2131 Pear Street Pinole, CA, and on the City's website, not less than 72 hours prior to the meeting date set forth on this agenda.

POSTED: May 2, 2019 at 4:00 P.M.

_____

Heather Iopu, CMC
City Clerk

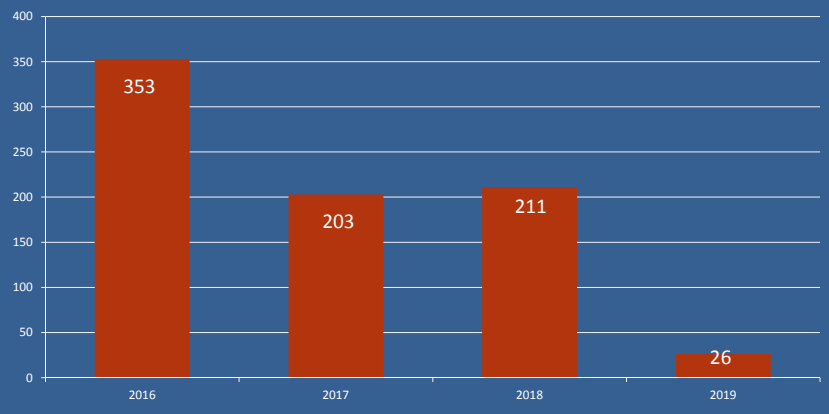
Code Enforcement Activities 3nd Quarter FY18/19

Tamara Miller, Development Services Director/
City Engineer

May 7, 2019

1

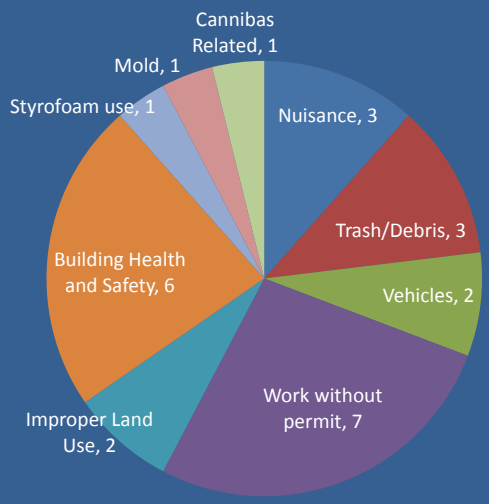
Community Preservation



26 cases were initiated in the last quarter

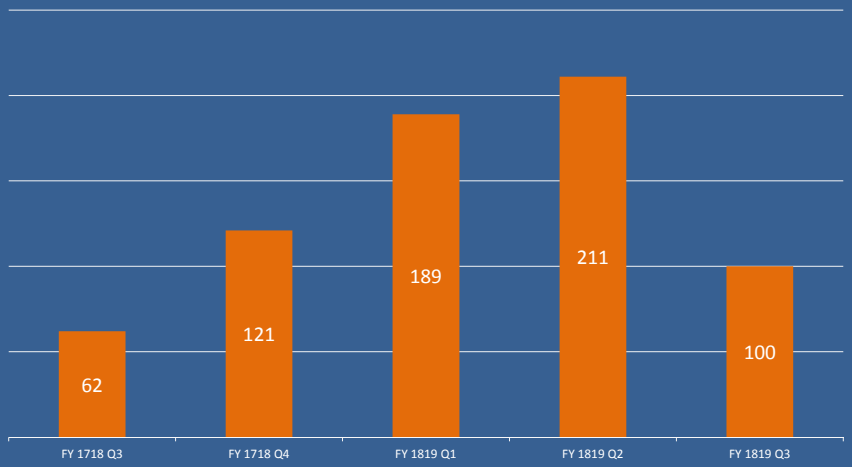
2

Community Preservation Recent Code Cases



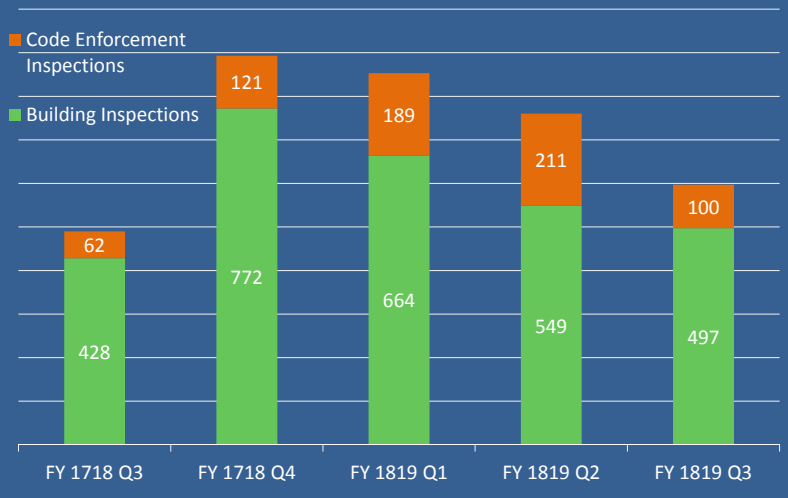
3

Code Enforcement Inspections



4

Field Inspections



5

Code Enforcement

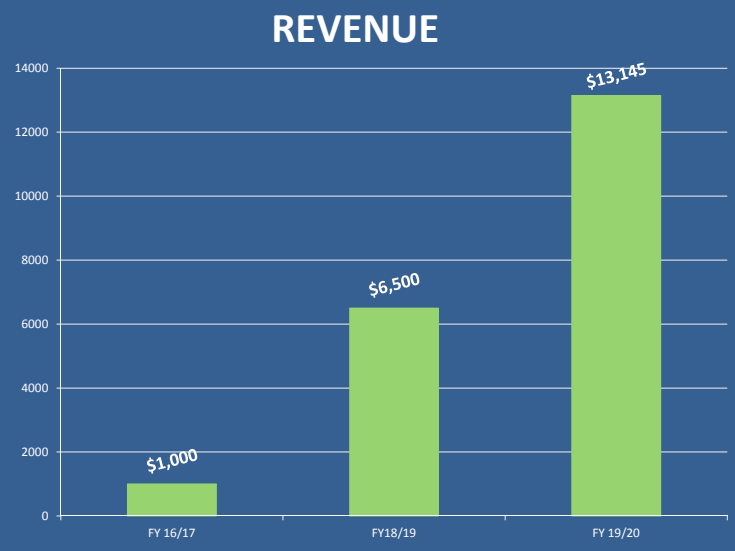
- As of today we have 42 cases showing as active in our system
  - 3 initiated in FY 16/17
  - 6 initiated in FY 17/18
  - 33 initiated in FY 18/19
    - 6 from Q1
    - 6 from Q2
    - 12 from Q3
    - 9 from Q4

6

Code Enforcement

- We follow a neighborly approach initially
- We record everything in our software

7



8

Code Enforcement

- Questions

9

CITY COUNCIL MEETING
MINUTES
APRIL 16, 2019

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The City Council Meeting was held in the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Murray called the Regular Meeting of the City Council to order at 5:32 p.m. and led the Pledge of Allegiance.

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

A. COUNCILMEMBERS PRESENT

Peter Murray, Mayor
Roy Swearingen, Mayor Pro Tem
Norma Martinez-Rubin, Councilmember
Vincent Salimi, Councilmember
Anthony Tave, Councilmember

B. STAFF PRESENT

Hector De La Rosa, Assistant City Manager
Heather Iopu, City Clerk
Eric Casher, City Attorney
Scott Kouns, Fire Chief
Andrea Miller, Finance Director
Tamara Miller, Development Services Director/City Engineer
Daniel Hortert, Planning Manger

City Clerk Iopu announced the agenda was posted on April 11, 2019 at 4:00 p.m. All legally required notice was provided.

City Clerk Iopu announced that additional items pertaining to Agenda Items 7C, 9B and 10A on the agenda were provided at the dais for the Council and copies were placed at the rear of the Chamber for the public.

Following an inquiry to the Council, the Council reported there were no conflicts with any items on the agenda.

3. CONVENE TO A CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Pursuant to Gov. Code § 54956.9(d)(2).
One Matter

B. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Gov. Code § 54957.6
Negotiating Parties: City Manager Michelle Fitzer, Hector De La Rosa, Asst. City Manager & Bruce Heid
Employee Organizations: All Groups

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

Mayor Murray reported action on Closed Session Item 3B. Staff was directed to approach employee organizations regarding contract negotiations.

5. CITIZENS TO BE HEARD (Public Comments)

At 7:07 pm, the Mayor inquired if there were any Public Comments. The following speakers addressed the City Council:

Rafael Menis, resident of Pinole, requested that information regarding the Friends of the Library Annual Book Sale be distributed by the City and posted on City website.

Tammy Campbell, resident of Pinole, spoke regarding the Pinole School District budget and increase in number of charter schools. Encouraged the City Council to approach School District to address budget issues.

The Council and staff addressed questions and made comments.

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

1. Recognizing April as Sexual Assault Awareness Month

Mayor Murray read a Proclamation recognizing April as Sexual Assault Awareness Month and presented it to Cynthia Peterson, Executive Director of Community Violence Solutions.

Cynthia Peterson summarized services of the Community Violence Solutions agency and highlighted its active education campaigns.

The City Council thanked Ms. Peterson and made comments in support of the agency's work.

B. Presentations / Recognitions

2. Fire Department Update by Fire Chief Scott Kouns

Fire Department report presented by Fire Chief Scott Kouns.

Councilmembers asked questions and staff responded.

The following speaker addressed the City Council:

Ivette Ricco, resident of Pinole, asked for clarification regarding fire inspection fees. Made comment regarding need for improvements to City's landscape maintenance.

7. CONSENT CALENDAR

A. Approve the Minutes of the Meeting of April 2, 2019

B. Receive the March 30, 2019 – April 12, 2019 List of Warrants in the Amount of $397,958.16 and the April 5, 2019 Payroll in the Amount of $453,323.61

ACTION: Motion by Councilmembers Martinez-Rubin/Tave to approve Consent Calendar Items A and B.

Vote:	**Passed**	**5-0**
	Ayes:	**Murray, Swearingen, Tave, Martinez-Rubin, Salimi**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

Item 7C was pulled by Mayor Murray for further discussion.

C... Approve a Letter of Support for the Tri-Valley Cities Legislative Positions Letter on Priority Housing Legislation and Authorize the Mayor to Sign the Letter **[Action: Review Letter and Authorize the Mayor to Sign (Fitzer)]**

City Manager Fitzer introduced the item, provided context and outlined the action.

The following speaker addressed the City Council:

Maureen Toms, resident of Pinole, recommended that a graphic that reflects job growth vs. housing growth in metropolitan areas is shown at next City Council discussion of this item. Made comments regarding housing issues.

City Council authorized the Mayor sign a letter of support for the Tri-Valley Cities Legislative Positions Letter. Council directed staff to bring the related Contra Costa County collective report with resolution back for review at the May 7, 2019 City Council meeting.

8. PUBLIC HEARING

A. Conduct Second Reading Small Cell Wireless Design Guidelines **[Action: Adopt Ordinance on 2nd Reading (Casher)**

City Attorney Casher presented report and outlined the action.

Councilmembers asked questions. Staff responded.

At 8:22 pm, Mayor Murray opened the Public Hearing.

No speaker cards were received by the City Clerk.

At 8:22 pm, Mayor Murray closed the Public Hearing.

ACTION: Motion by Councilmembers Martinez-Rubin/Salimi to adopt Ordinance Adding Chapter 17.77 to the Zoning Code to Regulate Small Cell Wireless Facilities and Resolution Adopting Design Requirements for Small Cell Wireless Facilities and a Related Application Fee.

Vote: **Passed** **5-0**
Ayes: **Murray, Swearingen, Tave, Martinez-Rubin, Salimi**
Noes: **None**
Abstain: **None**
Absent: **None**

9. OLD BUSINESS

A. Approve a Professional Services Agreement with Management Partners in an Amount Not to Exceed $70,000 to Facilitate Council Team Building and Community Strategic Planning Processes [**[Action: Approve Resolution Per Staff Recommendation (Fitzer)]**

City Manager Fitzer presented report and outlined the action.

Councilmembers asked questions of staff regarding the proposal. Staff responded.

Councilmembers asked questions of Management Partners representative, Christine Butterfield. Ms. Butterfield addressed questions.

The following speakers addressed the City Council:

Ivette Ricco, resident of Pinole, spoke in support of approving the item and the benefits to the community in the long term.

Rafael Menis, resident of Pinole, spoke in support of approving the item and highlighted the benefits of teambuilding and strategic planning. Asked how this process will differ from the General Plan development process.

Christine Butterfield addressed questions and spoke in detail regarding the process.

ACTION: Motion by Councilmembers Tave/Salimi to approve Old Business Item 9A.

Vote: **Passed** **5-0**
Ayes: **Murray, Swearingen, Tave, Martinez-Rubin, Salimi**
Noes: **None**
Abstain: **None**
Absent: **None**

B. Discussion Regarding Timing of Fire Service Delivery Study, Charter City Potential Ballot Measure, and the Strategic Planning Process **[Action: Discuss & Provide Direction (Fitzer)]**

ACTION: Motion by Councilmembers Martinez-Rubin/Tave to extend the meeting until 11:30 p.m.

Vote: **Passed** **5-0**
Ayes: **Murray, Swearingen, Tave, Martinez-Rubin, Salimi**
Noes: **None**
Abstain: **None**

City Manager Fitzer presented report and outlined the action.

Discussion by Council and staff of the options available with regard to timing of potential ballot measures.

The following speakers addressed the City Council:

Rafael Menis, resident of Pinole, spoke regarding state legislation that could affect the decision and made comment regarding becoming a Charter City.

Ivette Ricco, resident of Pinole, commented that the City needs to move forward on the Fire Study. Spoke in support of addressing the fire study question first and then the Charter City, next.

ACTION: Motion by Councilmembers Tave/Salimi to direct staff to prepare two ballot measures: Fire Study for March 3, 2020 Election and Charter City for November 3, 2020 Election.

Vote:	**Passed**	**3-2**
	Ayes:	**Tave, Martinez-Rubin, Salimi**
	Noes:	**Murray, Swearingen,**
	Abstain:	**None**
	Absent:	**None**

C. East Bay Ophthalmology Center (Gateway Medical Center) Project Update **[Action: Discuss & Provide Direction (Hortert)]**

Planning Manager Hortert introduced the item.

Dr. Lee, of Pinole Medical Eye Institute, gave an update report regarding East Bay Ophthalmology Center project.

Planning Manager Hortert presented report detailing status of project.

The following speakers addressed the City Council:

Jim Shattuck, resident of Pinole, spoke in support of the project and encouraged the City to expedite approval of the project.

Ivette Ricco, resident of Pinole, spoke in support of the project and made comment regarding the color palette.

Council directed staff to move forward with recommendation of the project to the Planning Commission with a review of the color palette.

10. NEW BUSINESS

A. Receive City of Pinole's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018 **[No Action Required: Informational Item Only (Miller)]**

Andrea Miller, Finance Director, presented report.

Councilmembers asked questions. Staff responded to questions.

The following speaker addressed the City Council:

Rafael Menis, resident of Pinole, made comment regarding the details of the report and asked questions of staff.

Staff addressed questions.

ACTION: Motion by Councilmembers Swearingen/Martine-Rubin to approve New Business Item 10A.

Vote:	**Passed**	**5-0**
	Ayes:	**Murray, Swearingen, Tave, Martinez-Rubin, Salimi**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

B. Discussion Regarding the Potential For Fireworks On July 4th 2019 **[Action: Discuss & Provide Direction (Fitzer)]**

City Manager Fitzer presented report and outlined the action.

The following speakers addressed the City Council:

Rafael Menis, resident of Pinole, spoke in support of having fireworks in 2020 and considering a safe location.

Ivette Ricco, resident of Pinole, spoke in support of community events and a 2020 fireworks show.

Council directed staff to work towards planning a 2020 fireworks show.

11. REPORTS & COMMUNICATIONS

A. Mayor Report
   1. Announcements

Mayor announced various community events.

B. Mayoral & Council Appointments
   1. Planning Commission

Interview subcommittee made comment regarding the recruitment process and outlined the recommendation to Council.

Councilmembers made comments.

The following speaker addressed the City Council:

Rafael Menis, resident of Pinole, spoke regarding the recommendation of the subcommittee.

ACTION: Motion by Councilmembers Tave/Swearingen to Approve Appointments to the Planning Commisison:

Appoint David Kurrent, Ann Moriarty, Devin Murphy, & Simon Wong for a (4) year term commencing on May 1, 2019 and ending on April 30, 2023

Appoint Sarah Flashman and Joseph Ojeda for a (1) year term commencing on May 1, 2019 and ending on April 30, 2020.

Vote:	**Passed**	**3-2**
	Ayes:	**Martinez-Rubin, Salimi, Tave**
	Noes:	**Murray, Swearingen**
	Abstain:	**None**
	Absent:	**None**

C. City Council Committee Reports & Communications

Councilmember Martinez-Rubin reported on board activities and community events.

Mayor Murray reported on board activities.

D. Council Requests For Future Agenda Items

Councilmember Salimi asked to bring back two discussion items; downtown revitalization and business development. Council gave consensus to bring items forward.

E. City Manager Report / Department Staff

None.

F. City Attorney Report

None.

12. ADJOURNMENT to the Council Meeting of May 7, 2019 and in Remembrance of the Amber Swartz.

At 12:48 a.m., Mayor Murray adjourned to the City Council meeting of May 7, 2019 in Remembrance of Amber Swartz**.**

Submitted by:

Heather Iopu, CMC

City Clerk

Approved by City Council:

WARRANT LISTING

City of Pinole, CA

By Vendor Name

Payment Dates 04/13/2019 - 05/03/2019

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: AIR10 - AIRGAS USA, LLC					
9961130090	90761	04/19/2019	100-231-42104	Rent Cyl Med Large Air	158.20
				Vendor AIR10 - AIRGAS USA, LLC Total:	**158.20**
Vendor: 1543 - ALB, Inc.					
5628	90813	04/26/2019	325-342-47205	Shea Dr-Asphalt Paving	33,984.00
				Vendor 1543 - ALB, Inc. Total:	**33,984.00**
Vendor: ALH01 - ALHAMBRA & SIERRA SPRINGS					
5025531 040619	90762	04/19/2019	500-642-42514	DRINKING WATER FOR CORP YARD	77.42
8498505 041919	90814	04/26/2019	100-222-42201	DRINKING WATER FOR POLICE	125.92
				Vendor ALH01 - ALHAMBRA & SIERRA SPRINGS Total:	**203.34**
Vendor: AME52 - AMERICAN MESSAGING SERVICE, LLC					
W4102378TD	90763	04/19/2019	525-118-43101	Pagers- FD	27.32
				Vendor AME52 - AMERICAN MESSAGING SERVICE, LLC Total:	**27.32**
Vendor: AME22 - AMERICAN STAGE TOURS					
26813	90764	04/19/2019	209-552-43805	SAFARI WEST TOUR- SC	5,152.00
				Vendor AME22 - AMERICAN STAGE TOURS Total:	**5,152.00**
Vendor: AME47 - AMERINATIONAL COMMUNITY SERVICES, INC.					
19-00163	90815	04/26/2019	285-464-42101	BANKRUPTCY MONTHLY SERVICE FEE	61.15
19-00163	90815	04/26/2019	750-463-42101	BANKRUPTCY MONTHLY SERVICE FEE	116.10
19-00243	90815	04/26/2019	285-464-42101	BANKRUPTCY MONTHLY SERVICE FEE	61.15
19-00243	90815	04/26/2019	750-463-42101	BANKRUPTCY MONTHLY SERVICE FEE	116.10
				Vendor AME47 - AMERINATIONAL COMMUNITY SERVICES, INC. Total:	**354.50**
Vendor: GAL23 - ANJANETTE MARIE GALLIA					
41819	90816	04/26/2019	209-556-42101	children's Theatre Workshop Stipend	1,350.00
CM0000372	90816	04/26/2019	209-20019	Children's Theatre Workshop Stipend- WITHHOLD	-324.00
				Vendor GAL23 - ANJANETTE MARIE GALLIA Total:	**1,026.00**
Vendor: ARM04 - ARMOR LOCKSMITH SERVICES					
68679	90765	04/19/2019	100-343-42514	Key Duplicate	13.08
				Vendor ARM04 - ARMOR LOCKSMITH SERVICES Total:	**13.08**
Vendor: 1320 - BADAWI & ASSOCIATES					
1626	90766	04/19/2019	100-115-42101	2018 AUDIT	3,941.00
				Vendor 1320 - BADAWI & ASSOCIATES Total:	**3,941.00**
Vendor: BAX00 - BADGE FRAME, INC.					
770470	90767	04/19/2019	100-222-42514	Engraved name plate for OOTQ and COTQ perpetual	32.18
				Vendor BAX00 - BADGE FRAME, INC. Total:	**32.18**
Vendor: DUG01 - BARRY DUGGAN					
42219	90817	04/26/2019	100-221-42514	Reimbursement for K-9 Food adn Boarding	364.79
				Vendor DUG01 - BARRY DUGGAN Total:	**364.79**
Vendor: 1542 - BEATRIZ ZAVALA					
41619	90768	04/19/2019	209-20309	PYC MAIN HALL RENTAL 4/13/19 DEPOSIT REFUND	250.00
				Vendor 1542 - BEATRIZ ZAVALA Total:	**250.00**

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: ESP01 - BELINDA ESPINOSA					
MAY 2019	90818	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	86.41
				Vendor ESP01 - BELINDA ESPINOSA Total:	**86.41**
Vendor: BLU01 - BLUE SKY SPORTS					
AAJ007627	90819	04/26/2019	100-112-42201	PLATE- CITY CLERK/FD	14.20
AAJ007627	90819	04/26/2019	100-115-42201	PLATE- CITY CLERK/FD	14.21
				Vendor BLU01 - BLUE SKY SPORTS Total:	**28.41**
Vendor: DEN09 - BRIAN DENIS					
41719	90769	04/19/2019	500-642-42101	REIMBURSEMENT DOT PHYSICAL RECETIFICATION	115.00
				Vendor DEN09 - BRIAN DENIS Total:	**115.00**
Vendor: PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM					
100000015627073	90770	04/19/2019	100-117-41004	ANNUAL UNF ACC LIB AS OF JUNE 30,2016 ID 674	74,423.41
100000015627081	90770	04/19/2019	100-117-41004	ANNUAL UNF ACC LIB AS OF JUNE 30,2016 ID 675	75,834.67
100000015627090	90770	04/19/2019	100-117-41004	ANNUAL UNF ACC LIB AS OF JUNE 30,2016 ID 25716	140.32
100000015627100	90770	04/19/2019	100-117-41004	ANNUAL UNF ACC LIB AS OF JUNE 30,2016 ID 25717	186.33
100000015627107	90770	04/19/2019	100-117-41004	ANNUAL UNF ACC LIB AS OF JUNE 30,2016 ID 27205	144.77
				Vendor PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM Total:	**150,729.50**
Vendor: CAP10 - CAP-HILLTOP					
31184	90771	04/19/2019	213-346-42514	March 2019 Outdoor cleaning of parks	600.00
				Vendor CAP10 - CAP-HILLTOP Total:	**600.00**
Vendor: CIT08 - CITY MECHANICAL, INC					
54276	90820	04/26/2019	209-558-42108	SERVICE YOUTH CENTER	596.70
54277	90772	04/19/2019	100-231-42108	SERVICE PUBLIC SAFETY BLDG	1,226.93
				Vendor CIT08 - CITY MECHANICAL, INC Total:	**1,823.63**
Vendor: CIT10 - CITY OF SAN PABLO					
0020564	90773	04/19/2019	100-222-42105	Annual Tri-City Costs- Quarter 3 Fiscal Year 2019	15,136.84
0020564	90773	04/19/2019	100-223-42105	Annual Tri-City Costs- Quarter 3 Fiscal Year 2019	6,487.21
				Vendor CIT10 - CITY OF SAN PABLO Total:	**21,624.05**
Vendor: 1537 - CITY OF VALLEJO					
41619	90774	04/19/2019	100-112-42301	Reimbursement for Conference Reg and Airfare	775.96
				Vendor 1537 - CITY OF VALLEJO Total:	**775.96**
Vendor: CIV01 - CIVIC CENTER AUTO CARE					
518022	90821	04/26/2019	100-222-42107	TOW UNIT HAS 2 FLATS ON LEFT SIDE	80.00
				Vendor CIV01 - CIVIC CENTER AUTO CARE Total:	**80.00**
Vendor: 1234 - COASTLAND CIVIL ENGINEERING, INC.					
45712	90775	04/19/2019	106-345-47203	1163781 Fernandez park Restroom Bldg Replacement	810.00
				Vendor 1234 - COASTLAND CIVIL ENGINEERING, INC. Total:	**810.00**
Vendor: COM20 - COMCAST					
APRIL 01 2019-3450	90822	04/26/2019	215-341-43101	I-80 MOBLILITY PROJECT FROM 4/5- 5/4/19	240.98
APRIL 19-0875	90822	04/26/2019	100-117-43105	COMCAST BUSINESS CABLE- FINANCE	30.65
APRIL 2019-0511	90822	04/26/2019	100-223-43105	BUSINESS CABLE POLICE DEPARTEMENT	176.63
				Vendor COM20 - COMCAST Total:	**448.26**

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: 1527 - COMMERCIAL POWER SWEEP, INC.					
37393	90776	04/19/2019	207-344-42514	SWEEPING SERVICE 11 TENNENT AVENUE	5,438.40
				Vendor 1527 - COMMERCIAL POWER SWEEP, INC. Total:	**5,438.40**
Vendor: CON56 - CONCENTRA MEDICAL CENTERS					
64055252	90823	04/26/2019	100-221-42101	Non Reg USD PrePl Burrus, Justin	75.00
				Vendor CON56 - CONCENTRA MEDICAL CENTERS Total:	**75.00**
Vendor: CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT					
702361	90824	04/26/2019	100-343-42101	traffic signal maintenance charges for March 2019	5,507.16
702361	90824	04/26/2019	310-347-42101	traffic signal maintenance charges for March 2019	133.52
702361	90824	04/26/2019	310-348-42101	traffic signal maintenance charges for March 2019	133.52
				Vendor CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT Total:	**5,774.20**
Vendor: CCC16 - CONTRA COSTA COUNTY SHERIFF'S OFFICE					
19-54	90825	04/26/2019	100-222-42101	Rendition-TX, Officer Porter,	445.00
				Vendor CCC16 - CONTRA COSTA COUNTY SHERIFF'S OFFICE Total:	**445.00**
Vendor: CON10 - CONTRA COSTA POLICE CHIEFS' ASSOCIATION					
41019	90777	04/19/2019	100-221-42301	Chiefs and Assistant's Luncheons mWed April 24 201	70.00
				Vendor CON10 - CONTRA COSTA POLICE CHIEFS' ASSOCIATION Total:	**70.00**
Vendor: 1539 - CORDICO PSYCHOLOGICAL CORPORATION					
3296	90778	04/19/2019	225-221-42514	Pinole PD and Fire Mobile Wellness Apps	25,000.00
3324	90826	04/26/2019	100-221-42101	Pre-Emp Psych Eval- KR	400.00
				Vendor 1539 - CORDICO PSYCHOLOGICAL CORPORATION Total:	**25,400.00**
Vendor: CSG01 - CSG CONSULTANTS INC.					
24193	90779	04/19/2019	212-462-42101	Pinole In House BUilding Services Eff 10/16/18	12,160.00
B190363	90779	04/19/2019	212-462-42101	Building Plan Review Services	7,183.94
b190364	90779	04/19/2019	212-462-42101	Building Plan Review Services	180.00
F190169	90779	04/19/2019	100-231-42101	Fire Plan Review Services	995.90
				Vendor CSG01 - CSG CONSULTANTS INC. Total:	**20,519.84**
Vendor: COO13 - DANA COOK					
MAY 2019	90827	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	351.82
				Vendor COO13 - DANA COOK Total:	**351.82**
Vendor: DAS02 - DASH MEDICAL GLOVES, INC.					
INV1148527	90828	04/26/2019	100-222-42514	Black Maxx Nitrile Exam Gloves	157.11
				Vendor DAS02 - DASH MEDICAL GLOVES, INC. Total:	**157.11**
Vendor: DEL28 - DELTA, SIGMA, THETA SORORITY					
41919	90780	04/19/2019	209-20308	PSC Main Hall Rental Deposit Refund	150.00
				Vendor DEL28 - DELTA, SIGMA, THETA SORORITY Total:	**150.00**
Vendor: DEP01 - DEPARTMENT OF JUSTICE/ACCOUNTING OFFICE					
365168	90829	04/26/2019	100-116-42110	FINGERPRINTING SERVICES- PD	32.00
365168	90829	04/26/2019	100-117-42110	FINGERPRINTING SERVICES- PD	32.00
365168	90829	04/26/2019	100-221-42110	FINGERPRINTING SERVICES- PD	383.00
365168	90829	04/26/2019	100-223-40101	FINGERPRINTING SERVICES- PD	66.00
				Vendor DEP01 - DEPARTMENT OF JUSTICE/ACCOUNTING OFFICE Total:	**513.00**
Vendor: DEP03 - DEPARTMENT OF TRANSPORTATION					
SL190685	90830	04/26/2019	100-343-42101	SIGNALS & LIGHTING BILLING JAN THROUGH MARCH 2019	3,893.91
SL190685	90830	04/26/2019	310-347-42101	SIGNALS & LIGHTING BILLING JAN THROUGH MARCH 2019	397.80

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
SL190685	90830	04/26/2019	310-348-42101	SIGNALS & LIGHTING BILLING JAN THROUGH MARCH 2019	147.80
				Vendor DEP03 - DEPARTMENT OF TRANSPORTATION Total:	**4,439.51**
Vendor: JEN10 - DIANA JENSEN					
41919	90781	04/19/2019	209-20015	Unclaimed Property CK#81935 (6/10/2016)	19.52
				Vendor JEN10 - DIANA JENSEN Total:	**19.52**
Vendor: 1540 - DIEM NGUYEN					
41219	90782	04/19/2019	209-20309	PYC MAIN HALL RENTAL 4/6/19 DEPOSIT REFUND	500.00
				Vendor 1540 - DIEM NGUYEN Total:	**500.00**
Vendor: 1443 - DIESEL DIRECT WEST, INC.					
83013898	90831	04/26/2019	100-10601	GASOLINE FOR CORP YARD	1,416.43
83089919	90783	04/19/2019	100-10601	GASOLINE FOR CORP YARD	3,090.09
				Vendor 1443 - DIESEL DIRECT WEST, INC. Total:	**4,506.52**
Vendor: EBM01 - EBMUD					
20576-0419	90784	04/19/2019	100-345-43102	2948 VON DOOLEN CT-IRRIGATION USE ONLY	49.26
				Vendor EBM01 - EBMUD Total:	**49.26**
Vendor: 1165 - ELIZA JOHNSON					
41819	90832	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	450.00
				Vendor 1165 - ELIZA JOHNSON Total:	**450.00**
Vendor: 1538 - Encompass Consultinn, Inc.					
41619	90785	04/19/2019	226-000-34223	Refund 2019 BL Overpayment	20.00
				Vendor 1538 - Encompass Consultinn, Inc. Total:	**20.00**
Vendor: VAL06 - ERIKS NORTH AMERICA, INC & Advanced Sealing Information					
FA021709	90786	04/19/2019	500-641-42107	PARTS- TP	170.43
				Vendor VAL06 - ERIKS NORTH AMERICA, INC & Advanced Sealing Information Total:	**170.43**
Vendor: FED01 - FEDEX					
6-526-29504	90833	04/26/2019	100-221-42201	FedEx Express Services- PD	5.77
				Vendor FED01 - FEDEX Total:	**5.77**
Vendor: OCH06 - FERNANDO OCHOA					
41819	90834	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	450.00
				Vendor OCH06 - FERNANDO OCHOA Total:	**450.00**
Vendor: ATW00 - FLO ATWOOD					
41519	90787	04/19/2019	209-552-43804	Reimbursement for Restaurant Depot Purchase	102.00
				Vendor ATW00 - FLO ATWOOD Total:	**102.00**
Vendor: FOR02 - FORENSIC SERVICES DIVISION					
PIPD-119	90788	04/19/2019	100-222-42101	11 Blood withdrawals Jan-March 2019	1,049.58
				Vendor FOR02 - FORENSIC SERVICES DIVISION Total:	**1,049.58**
Vendor: FRE01 - FREEMAN'S TOW SERVICE, INC.					
110817	90835	04/26/2019	100-221-42107	Pinole PD Road Service Ford 1355277 Tire Change	80.00
				Vendor FRE01 - FREEMAN'S TOW SERVICE, INC. Total:	**80.00**
Vendor: GAT07 - GATEWAY PINOLE VISTA, LLC					
MAY 2019	90836	04/26/2019	201-343-42513	May 2019 1340 Fitzgerald Dr Lease Payment	100.00
				Vendor GAT07 - GATEWAY PINOLE VISTA, LLC Total:	**100.00**
Vendor: MAN02 - GEORGIA MANESSIS					
41219	90789	04/19/2019	209-552-43804	Reimbursement for Smart and Final	45.90
				Vendor MAN02 - GEORGIA MANESSIS Total:	**45.90**

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: 1264 - GINA MARIE GALLIA					
41819	90837	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	350.00
				Vendor 1264 - GINA MARIE GALLIA Total:	**350.00**
Vendor: GIR02 - GIRL SCOUTS OF NORTHERN CA					
41519	90790	04/19/2019	209-20308	PSC Main Hall Rental Deposit Refund	250.00
				Vendor GIR02 - GIRL SCOUTS OF NORTHERN CA Total:	**250.00**
Vendor: 1112 - GRAY-BOWEN-SCOTT					
8746	90791	04/19/2019	215-343-47205	Pedestrian Improvements @ BNSF Railroad	2,387.38
8746	90791	04/19/2019	325-343-47205	Pedestrian Improvements @ BNSF Railroad	2,387.37
				Vendor 1112 - GRAY-BOWEN-SCOTT Total:	**4,774.75**
Vendor: KEN14 - GREG KENNEDY RN					
71	90838	04/26/2019	100-231-42101	EMS CQI Duties	2,000.00
				Vendor KEN14 - GREG KENNEDY RN Total:	**2,000.00**
Vendor: HAC01 - HACH COMPANY					
11417765	90792	04/19/2019	500-641-44305	SUPPLIES- TP	666.60
				Vendor HAC01 - HACH COMPANY Total:	**666.60**
Vendor: HEA01 - HEALTH CARE DENTAL TRUST					
MAY 2019	90839	04/26/2019	100-110-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	581.32
MAY 2019	90839	04/26/2019	100-111-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	133.72
MAY 2019	90839	04/26/2019	100-113-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	62.18
MAY 2019	90839	04/26/2019	100-115-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	313.88
MAY 2019	90839	04/26/2019	100-116-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	219.12
MAY 2019	90839	04/26/2019	100-117-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	156.94
MAY 2019	90839	04/26/2019	100-221-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	156.94
MAY 2019	90839	04/26/2019	100-221-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	2,710.34
MAY 2019	90839	04/26/2019	100-222-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	219.12
MAY 2019	90839	04/26/2019	100-223-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	1,181.00
MAY 2019	90839	04/26/2019	100-231-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	1,388.98
MAY 2019	90839	04/26/2019	100-341-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	447.60
MAY 2019	90839	04/26/2019	100-343-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	1,075.36
MAY 2019	90839	04/26/2019	105-221-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	447.60
MAY 2019	90839	04/26/2019	105-231-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	133.72
MAY 2019	90839	04/26/2019	106-231-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	156.94
MAY 2019	90839	04/26/2019	209-551-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	156.94
MAY 2019	90839	04/26/2019	209-552-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	124.36
MAY 2019	90839	04/26/2019	209-554-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	156.94
MAY 2019	90839	04/26/2019	212-461-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	-156.94

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
MAY 2019	90839	04/26/2019	212-462-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	133.72
MAY 2019	90839	04/26/2019	500-641-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	1,192.24
MAY 2019	90839	04/26/2019	500-642-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	281.30
MAY 2019	90839	04/26/2019	505-119-41002	HEALTH & DENTAL PREMIUMS FOR MAY 2019	219.12
MAY 2019	90839	04/26/2019	998-20105	HEALTH & DENTAL PREMIUMS FOR MAY 2019	343.48
MAY 2019	90839	04/26/2019	998-20105	HEALTH & DENTAL PREMIUMS FOR MAY 2019	62.18
				Vendor HEA01 - HEALTH CARE DENTAL TRUST Total:	**11,898.10**
Vendor: 1098 - HILLYARD, INC					
603393350	90793	04/19/2019	209-552-42108	SUPPLIES- SC	61.42
				Vendor 1098 - HILLYARD, INC Total:	**61.42**
Vendor: MEL05 - JAMES MELVIN					
MAY 2019	90840	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	135.50
				Vendor MEL05 - JAMES MELVIN Total:	**135.50**
Vendor: ROS13 - JAMES W. ROSE					
MAY 2019	90841	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	566.90
				Vendor ROS13 - JAMES W. ROSE Total:	**566.90**
Vendor: JET00 - JETMULCH INC.					
11093-OL	90794	04/19/2019	100-345-42108	Engineered Wood Fiber Installed	5,899.50
				Vendor JET00 - JETMULCH INC. Total:	**5,899.50**
Vendor: 1410 - JON ROBERTS					
42219	90842	04/26/2019	100-221-42301	Sangeant Jon Roberts to attend POST Sexual Assault	543.82
42219	90842	04/26/2019	100-221-42303	Sangeant Jon Roberts to attend POST Sexual Assault	225.00
				Vendor 1410 - JON ROBERTS Total:	**768.82**
Vendor: MIS01 - JULIAN MISRA					
MAY 2019	90843	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	135.50
				Vendor MIS01 - JULIAN MISRA Total:	**135.50**
Vendor: MAD06 - JUSTIN MADFES					
41819	90844	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	350.00
				Vendor MAD06 - JUSTIN MADFES Total:	**350.00**
Vendor: COP02 - KENETH COPPO					
MAY 2019	90845	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	1,230.95
				Vendor COP02 - KENETH COPPO Total:	**1,230.95**
Vendor: KEN09 - KENNEDY AND ASSOCIATES, INC.					
19-060	90795	04/19/2019	207-344-42101	On Call Services March 1 through March 31 2019	1,448.88
				Vendor KEN09 - KENNEDY AND ASSOCIATES, INC. Total:	**1,448.88**
Vendor: KNO03 - KNORR SYSTEMS,INC.					
SI210775	90796	04/19/2019	209-557-42108	CHEMICALS	828.22
				Vendor KNO03 - KNORR SYSTEMS,INC. Total:	**828.22**
Vendor: 1424 - KRISTINA SANTOYO					
41519	90846	04/26/2019	209-552-43804	PETTY CASH REPORT 4/15-4/21/19	100.00

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
41519	90846	04/26/2019	209-552-43806	PETTY CASH REPORT 4/15-4/21/19	200.00
				Vendor 1424 - KRISTINA SANTOYO Total:	**300.00**
Vendor: LAK01 - LAKESHORE					
1705520319	90797	04/19/2019	209-553-42514	SUPPLIES	555.46
1705530319	90797	04/19/2019	209-553-42514	SUPPLIES	298.77
				Vendor LAK01 - LAKESHORE Total:	**854.23**
Vendor: WIL33 - LEAH WILSON					
41819	90847	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	1,700.00
				Vendor WIL33 - LEAH WILSON Total:	**1,700.00**
Vendor: 1450 - LIKIBER INC. -Rubenstein Supply Company					
S1982820.001	90848	04/26/2019	100-345-42108	SUPPLIES- PW	117.67
				Vendor 1450 - LIKIBER INC. -Rubenstein Supply Company Total:	**117.67**
Vendor: BRU10 - LINDA BRUNS					
MAY 2019	90849	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	33.61
				Vendor BRU10 - LINDA BRUNS Total:	**33.61**
Vendor: HAR34 - LORRAINE HARTNETT					
INV0003816	90866	04/29/2019	100-117-42501	Reimbursement for 4/19 payroll bounce check fees.	12.00
				Vendor HAR34 - LORRAINE HARTNETT Total:	**12.00**
Vendor: MAL02 - MALTBY ELEC.SUPPLY CO,INC					
s1855497.001	90798	04/19/2019	100-343-42108	MAINTENANCE SUPPLIES	745.09
				Vendor MAL02 - MALTBY ELEC.SUPPLY CO,INC Total:	**745.09**
Vendor: MAN01 - MANNA FOODS, INC.					
817147	90799	04/19/2019	209-552-43804	Lunch Program Pork Chops- SC	199.60
				Vendor MAN01 - MANNA FOODS, INC. Total:	**199.60**
Vendor: 1545 - Maritza Sanchez					
42219	90850	04/26/2019	100-221-42514	PETTY CASH REPORT	240.85
				Vendor 1545 - Maritza Sanchez Total:	**240.85**
Vendor: DRA01 - MARY DRAZBA					
MAY 2019	90851	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	103.16
				Vendor DRA01 - MARY DRAZBA Total:	**103.16**
Vendor: MEY01 - MEYERS,NAVE,RIBACK,SILVER					
2019010234	90800	04/19/2019	100-114-42102	PINOLE SQUARE SHOPPING CENTER-CR	2,689.00
2019010236	90800	04/19/2019	100-114-42102	GENERAL SERVICES-PUBLIC WORKS	936.00
2019010237	90800	04/19/2019	100-114-42102	WCCUSD CLAIM FOR REFUND OF UTILITY USERS TAX	304.00
2019020394	90800	04/19/2019	100-114-42102	GENERAL SERVICES- LABOR AND EMPLOYMENT	1,157.50
2019020395	90800	04/19/2019	100-114-42102	LABOR NEGOTIATIONS	912.00
2019030140	90852	04/26/2019	100-114-42102	CITY ATTORNEY SERVICES	18,822.78
2019030140	90852	04/26/2019	106-114-42102	CITY ATTORNEY SERVICES	2,320.31
2019030142	90852	04/26/2019	100-114-42102	CITY COUNCIL MEETINGS	2,400.00
2019030143	90852	04/26/2019	100-114-42102	PUBLIC RECORDS ACT REQUESTS	1,512.00
2019030144	90852	04/26/2019	100-114-42102	RISK MANAGEMENT	252.00
2019030145	90852	04/26/2019	100-114-42102	SALE OF PINOLE SENIOR VILLAGE- CR	1,514.00
2019030146	90852	04/26/2019	100-114-42102	PINOLE SQUARE SHOPPING CENTER- CR	1,255.50
2019030147	90852	04/26/2019	100-114-42102	SF BAY TRAIL- PINOLE SHORES TO BAYFRONT PARK PROJE	526.00
2019030148	90852	04/26/2019	100-114-42102	GENERAL SERVICES- FINANCE DEPARTMENT	140.00

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
2019030149	90852	04/26/2019	100-114-42102	PINOLE, CITY OF V. HENNER TANK LINES INC ACTION	552.00
2019030151	90852	04/26/2019	100-114-42102	GENRAL SERVICES- CITY ATTORNEY MISCELLANEOUS	12,433.50
2019030152	90852	04/26/2019	100-114-42102	PINOLE, CITY OF- GENERAL MATTERS- WPCP	342.00
2019030153	90852	04/26/2019	100-114-42102	PINOLE/HERCULES WAST WATER UPGRADE PROJECT	608.00
2019030154	90852	04/26/2019	100-114-42102	GENERAL SERVICES- POLICE	1,164.00
2019030155	90852	04/26/2019	100-114-42102	GENERAL SERVICES- CODE ENFORCEMENT	1,088.00
2019030156	90852	04/26/2019	100-114-42102	GENERAL SERVICES- COMMUNITY DEVELOPMENT	4,589.00
2019030157	90852	04/26/2019	100-114-42102	PLANNING COMMISSION MEETING	1,288.00
2019030158	90852	04/26/2019	100-114-42102	HOUSING SUCCESSOR- RDA AFFORDABLE HOUSING COVENA	693.00
2019030257	90852	04/26/2019	100-114-42102	CLAIM AGAINST PG7E FOR DELAYS TO PROJ CONSTRUCTION	5,522.00
				Vendor MEY01 - MEYERS,NAVE,RIBACK,SILVER Total:	**63,020.59**
Vendor: 1139 - MICHAEL BAKER INTERNATIONAL, INC.					
1045252	90801	04/19/2019	212-461-42101	Professional Services ending March 31, 2019	3,360.00
				Vendor 1139 - MICHAEL BAKER INTERNATIONAL, INC. Total:	**3,360.00**
Vendor: ROG02 - MILES ROGERS					
MAY 2019	90854	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	437.73
				Vendor ROG02 - MILES ROGERS Total:	**437.73**
Vendor: MUN07 - MUNICIPAL POOLING AUTH.					
a031912	90855	04/26/2019	100-221-46201	Unmet Liability Deductible March 2019- PD	1,394.13
				Vendor MUN07 - MUNICIPAL POOLING AUTH. Total:	**1,394.13**
Vendor: MYE01 - MYERS STEVENS & TOOHEY CO					
1311646	90802	04/19/2019	100-221-41008	LT DISSABILITY INSURANCE PREMIUMS PD	594.00
1311646	90802	04/19/2019	100-223-41008	LT DISSABILITY INSURANCE PREMIUMS PD	215.00
1311646	90802	04/19/2019	105-221-41008	LT DISSABILITY INSURANCE PREMIUMS PD	89.10
1311646	90802	04/19/2019	204-227-41008	LT DISSABILITY INSURANCE PREMIUMS PD	59.40
				Vendor MYE01 - MYERS STEVENS & TOOHEY CO Total:	**957.50**
Vendor: 1036 - NANCY VOISEY					
MAY 2019	90856	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	351.82
				Vendor 1036 - NANCY VOISEY Total:	**351.82**
Vendor: PGE01 - P.G.& E.					
APRIL 19-0081	90857	04/26/2019	200-341-43103	2501 SAN PABLO AVE TRAFFIC CONTROLLER	64.12
APRIL 19-0209	90857	04/26/2019	200-341-43103	S/E CORNER SAN PABLO AVE & TENNENT TRAFFIC SIGNAL	70.31
APRIL 19-0217	90857	04/26/2019	100-345-43103	TENNENT & PARK ST CLUB HOUSE	62.42
APRIL 19-0498	90803	04/19/2019	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	337.04
APRIL 19-0813	90857	04/26/2019	200-341-43103	2149 1/2 APPIAN WAY TRAFFIC SIGNAL	40.75
APRIL 19-0883	90857	04/26/2019	100-222-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	1,144.22

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
APRIL 19-0883	90857	04/26/2019	100-223-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	228.84
APRIL 19-0883	90857	04/26/2019	100-231-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	915.38
APRIL 19-0923	90857	04/26/2019	100-110-43103	2131 PEAR ST	55.44
APRIL 19-0923	90857	04/26/2019	100-111-43103	2131 PEAR ST	72.95
APRIL 19-0923	90857	04/26/2019	100-112-43103	2131 PEAR ST	80.22
APRIL 19-0923	90857	04/26/2019	100-115-43103	2131 PEAR ST	199.88
APRIL 19-0923	90857	04/26/2019	100-116-43103	2131 PEAR ST	58.36
APRIL 19-0923	90857	04/26/2019	100-117-43103	2131 PEAR ST	649.23
APRIL 19-0923	90857	04/26/2019	100-343-43103	2131 PEAR ST	1,209.47
APRIL 19-0923	90857	04/26/2019	200-341-43103	2131 PEAR ST	211.55
APRIL 19-0923	90857	04/26/2019	212-461-43103	2131 PEAR ST	87.54
APRIL 19-0923	90857	04/26/2019	212-462-43103	2131 PEAR ST	220.30
APRIL 19-0923	90857	04/26/2019	285-464-43103	2131 PEAR ST	72.95
APRIL 19-1156	90857	04/26/2019	209-554-43103	635 TENNENT AVE YOUTH CTR/CATV	58.37
APRIL 19-1156	90857	04/26/2019	505-119-43103	635 TENNENT AVE YOUTH CTR/CATV	87.55
APRIL 19-1462	90857	04/26/2019	209-552-43103	2500 CHARLES ST SENIOR CENTER	409.65
APRIL 19-1801	90803	04/19/2019	209-553-43103	2454 SIMAS AVE REC CTR & POOL	73.87
APRIL 19-2506	90857	04/26/2019	215-341-43103	701 Pinon/2489 San Pablo-Electric CHGS	38.94
APRIL 19-2969	90857	04/26/2019	201-343-43103	600 Tennent Ave-Blackies Storage	19.72
APRIL 19-3029	90803	04/19/2019	100-345-43103	1270 ADOBE RD @ OUTSIDE BATHROOMS	71.48
APRIL 19-3537	90857	04/26/2019	100-343-43103	659 TENNENT AVE PARKING LOT LIGHTS	67.50
APRIL 19-3834	90803	04/19/2019	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	60.99
APRIL 19-3850	90857	04/26/2019	100-345-43103	601 TENNENT AVE CARETAKER'S SHED	98.75
APRIL 19-3914	90857	04/26/2019	100-345-43103	FERNANDEZ PARK BALLPARK LIGHTING	197.56
APRIL 19-4065	90857	04/26/2019	209-559-43103	2937 PINOLE VALLEY RD TENNIS CT LIGHTS	167.60
APRIL 19-4193	90857	04/26/2019	200-341-43103	HWY 80 PINOLE VALLEY RD TRAFFIC CONTROLLER	46.91
APRIL 19-4368	90857	04/26/2019	200-341-43103	APPIAN WAY & TARA HILLS TRAFFIC SIGNAL	106.07
APRIL 19-4612	90857	04/26/2019	201-343-43103	2100 SAN PABLO AVE FARIA HOUSE	43.14
APRIL 19-5137	90857	04/26/2019	209-557-43103	2450 SIMAS AVE SWIM CTR	1,248.12
APRIL 19-5274	90857	04/26/2019	201-343-43103	2361 SAN PABLO AVE OLD BANK BUILDING	38.94
APRIL 19-5374	90857	04/26/2019	200-341-43103	1220 PINOLE VALLEY RD TRAFFIC SIGNAL	75.74
APRIL 19-6043	90803	04/19/2019	100-231-43103	3790 PINOLE VALLEY RD	28.92
APRIL 19-6969	90857	04/26/2019	201-343-43103	2361 SAN PABLO AVE PARKING LOT LIGHTS	80.40
APRIL 19-7114	90857	04/26/2019	200-341-43103	2429 SAN PABLO AVE	48.40
APRIL 19-7186	90857	04/26/2019	209-558-43103	601 TENNENT AVE PUBLIC MEETING HALL	12.75
APRIL 19-7509	90857	04/26/2019	200-341-43103	TARA HILLS DR 500 FT APPIAN WAY TRAFFIC SIGNAL	54.02
APRIL 19-7964	90857	04/26/2019	310-348-43103	2680 PINOLE VALLEY RD MEDIAN IRRIGATION SHOPPING C	10.65
APRIL 19-8086	90857	04/26/2019	200-341-43103	N/S BORDER CITY OF PINOLE	99.12
APRIL 19-8517	90803	04/19/2019	500-642-43103	FRT OF 3490 SAVAGE AVE PUMP FOR SEWER	9.56

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
APRIL 19-8716	90857	04/26/2019	500-641-43103	SEWAGE PLNT-FT OF TENNENT	2,744.70
APRIL 19-9824	90857	04/26/2019	310-347-43103	1303 PINOLE VALLEY RD TRAFFIC CONTROL SVC	90.88
APRIL 19-9985	90857	04/26/2019	201-343-43103	NEAR 795 FERNANDEZ PARKING LOT LIGHTS	133.83
ARPIL 19-3311	90857	04/26/2019	200-341-43103	PINOLE VALLEY RD & HENRY TRAFFIC CONTROLLER	93.68
				Vendor PGE01 - P.G.& E. Total:	**12,098.78**
Vendor: ATH02 - PATRICIA ATHENOUR					
MAY 2019	90859	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	202.00
				Vendor ATH02 - PATRICIA ATHENOUR Total:	**202.00**
Vendor: CLA17 - PAUL CLANCY					
MAY 2019	90860	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	352.33
				Vendor CLA17 - PAUL CLANCY Total:	**352.33**
Vendor: 1009 - PRECISION IT CONSULTING					
8893	90861	04/26/2019	525-118-47102	New Monitor for Fire Depatment	544.73
				Vendor 1009 - PRECISION IT CONSULTING Total:	**544.73**
Vendor: ROS08 - RSG, INC.					
I004591	90804	04/19/2019	285-464-42101	Compliance Monitoring -Year 2	1,672.50
I004597	90804	04/19/2019	285-464-42101	Affordable Housing RFP Developer Selection	585.00
				Vendor ROS08 - RSG, INC. Total:	**2,257.50**
Vendor: J&O01 - RUBBER DUST INC.					
120309	90805	04/19/2019	207-344-42107	Vehicle Maintenance	1,055.58
				Vendor J&O01 - RUBBER DUST INC. Total:	**1,055.58**
Vendor: 1204 - S & L BODY AND FRAME					
16	90806	04/19/2019	100-221-42107	March Washing Cards PD	425.00
17	90806	04/19/2019	100-221-42107	APRIL WASHING CARDS PD	425.00
				Vendor 1204 - S & L BODY AND FRAME Total:	**850.00**
Vendor: SHR02 - SHRED DEFENSE INC					
26511	90862	04/26/2019	100-222-42101	ON SITE PULVERIZATION SERVICES- PD	469.50
				Vendor SHR02 - SHRED DEFENSE INC Total:	**469.50**
Vendor: SQU00 - SQUARE DEAL GARAGE					
27480	90807	04/19/2019	100-343-42107	VEHICLE MAINTENANCE - PW	267.25
27496	90807	04/19/2019	100-221-42107	VEHICLE MAINTENANCE- PD	91.35
27527	90807	04/19/2019	100-221-42107	VEHICLE MAINTENANCE- PD	49.04
				Vendor SQU00 - SQUARE DEAL GARAGE Total:	**407.64**
Vendor: NOR01 - STACY NORGAARD					
41819	90863	04/26/2019	209-556-42101	Children's Theatre Workshop Stipend- 2019	2,200.00
				Vendor NOR01 - STACY NORGAARD Total:	**2,200.00**
Vendor: TRA01 - TRANS BAY INSURANCE					
3515	90808	04/19/2019	100-110-42506	Insurance Premium on Policy #58582550	0.73
3515	90808	04/19/2019	100-111-42506	Insurance Premium on Policy #58582550	4.62
3515	90808	04/19/2019	100-112-42506	Insurance Premium on Policy #58582550	3.40
3515	90808	04/19/2019	100-113-42506	Insurance Premium on Policy #58582550	0.07
3515	90808	04/19/2019	100-115-42506	Insurance Premium on Policy #58582550	7.14
3515	90808	04/19/2019	100-116-42506	Insurance Premium on Policy #58582550	5.46

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
3515	90808	04/19/2019	100-117-42506	Insurance Premium on Policy #58582550	1.50
3515	90808	04/19/2019	100-221-42506	Insurance Premium on Policy #58582550	45.38
3515	90808	04/19/2019	100-222-42506	Insurance Premium on Policy #58582550	6.27
3515	90808	04/19/2019	100-223-42506	Insurance Premium on Policy #58582550	18.47
3515	90808	04/19/2019	100-231-42506	Insurance Premium on Policy #58582550	26.15
3515	90808	04/19/2019	100-341-42506	Insurance Premium on Policy #58582550	8.27
3515	90808	04/19/2019	100-343-42506	Insurance Premium on Policy #58582550	10.68
3515	90808	04/19/2019	105-221-42506	Insurance Premium on Policy #58582550	20.42
3515	90808	04/19/2019	105-231-42506	Insurance Premium on Policy #58582550	9.09
3515	90808	04/19/2019	106-221-42506	Insurance Premium on Policy #58582550	1.02
3515	90808	04/19/2019	106-231-42506	Insurance Premium on Policy #58582550	3.79
3515	90808	04/19/2019	204-227-42506	Insurance Premium on Policy #58582550	4.09
3515	90808	04/19/2019	205-227-42506	Insurance Premium on Policy #58582550	0.25
3515	90808	04/19/2019	209-551-42506	Insurance Premium on Policy #58582550	1.71
3515	90808	04/19/2019	209-552-42506	Insurance Premium on Policy #58582550	3.23
3515	90808	04/19/2019	209-553-42506	Insurance Premium on Policy #58582550	1.46
3515	90808	04/19/2019	209-554-42506	Insurance Premium on Policy #58582550	2.96
3515	90808	04/19/2019	212-461-42506	Insurance Premium on Policy #58582550	2.64
3515	90808	04/19/2019	212-462-42506	Insurance Premium on Policy #58582550	5.00
3515	90808	04/19/2019	317-345-42506	Insurance Premium on Policy #58582550	0.26
3515	90808	04/19/2019	500-641-42506	Insurance Premium on Policy #58582550	18.46
3515	90808	04/19/2019	500-642-42506	Insurance Premium on Policy #58582550	4.62
3515	90808	04/19/2019	505-119-42506	Insurance Premium on Policy #58582550	4.11
				Vendor TRA01 - TRANS BAY INSURANCE Total:	**221.25**
Vendor: UNI07 - UNIVERSAL BUILDING SVCS.					
246761	90809	04/19/2019	100-343-42514	SANITARY SUPPLIES- CORP YARD	480.79
460913	90809	04/19/2019	500-641-42108	MARCH 2019 JANITORIAL SERVICES- TP	493.00
				Vendor UNI07 - UNIVERSAL BUILDING SVCS. Total:	**973.79**
Vendor: WAD04 - WADDELL KENNELS					
2019-0056	90810	04/19/2019	100-222-42101	Additional charge for narcotic detection K-9	1,000.00
				Vendor WAD04 - WADDELL KENNELS Total:	**1,000.00**
Vendor: OLS11 - WANDA OLSON					
MAY 2019	90864	04/26/2019	100-117-41101	RETIREE MEDICAL REIMBURSEMENT FOR MAY	437.73
				Vendor OLS11 - WANDA OLSON Total:	**437.73**

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: 1541 - WENDY BENERO					
41619	90811	04/19/2019	209-20309	PYC MAIN HALL RENTAL DEPOSIT REFUND	250.00
				Vendor 1541 - WENDY BENERO Total:	**250.00**
Vendor: WES01 - WESTERN EXTERMINATOR CO.					
MARCH 2019 11 TENNENT AVE	90812	04/19/2019	500-641-42108	PEST CTRL SVCS FOR 11 TENNENT--CORP YARD	66.00
MARCH 2019 SC	90812	04/19/2019	209-552-42108	PEST CTRL SVCS FOR 2500 CHARLES ST-SNR CTR	68.00
				Vendor WES01 - WESTERN EXTERMINATOR CO. Total:	**134.00**
Vendor: 1520 - WEX BANK					
58650330	90865	04/26/2019	100-221-44301	FUEL PURCHASES PD	826.13
				Vendor 1520 - WEX BANK Total:	**826.13**
				Grand Total:	**422,984.57**

Report Summary

Fund Summary

Fund	Payment Amount
100 - General Fund	292,525.66
105 - Measure S -2006	699.93
106 - MEASURE S-2014	3,292.06
200 - Gas Tax Fund	910.67
201 - Restricted Real Estate Maintenance Fund	416.03
204 - Police Grants	63.49
205 - Traffic Safety Fund	0.25
207 - NPDES Storm Water Fund	7,942.86
209 - Recreation Fund	18,571.55
212 - Building & Planning	23,176.20
213 - Refuse Management Fund	600.00
215 - Measure C and J Fund	2,667.30
225 - Asset Seizure-Adjudicated Fund	25,000.00
226 - CASp Certification and Training Fund	20.00
285 - Housing Land Held for Resale	2,452.75
310 - Lighting & Landscape Districts	914.17
317 - Pinole Valley Caretaker Fund	0.26
325 - City Street Improvements	36,371.37
500 - Sewer Enterprise Fund	5,839.33
505 - Cable Access TV	310.78
525 - Information Systems	572.05
750 - Recognized Obligation Retirement Fund	232.20
998 - Payroll Clearing	405.66
Grand Total:	**422,984.57**

Account Summary

Account Number	Account Name	Payment Amount
100-10601	Gas Tanks/Corp Yard	4,506.52
100-110-41002	Emp Benefits/Dental	581.32
100-110-42506	Admin Exp/Bonds	0.73
100-110-43103	Utilities/Electricity & Pow...	55.44
100-111-41002	Emp Benefits/Dental	133.72
100-111-42506	Admin Exp/Bonds	4.62
100-111-43103	Utilities/Electricity & Pow...	72.95
100-112-42201	Office Expense	14.20
100-112-42301	Travel & Training/Conf-Re...	775.96
100-112-42506	Admin Exp/Bonds	3.40
100-112-43103	Utilities/Electricity & Pow...	80.22
100-113-41002	Emp Benefits/Dental	62.18
100-113-42506	Admin Exp/Bonds	0.07
100-114-42102	Prof Svcs/Attorney Servic...	60,700.28
100-115-41002	Emp Benefits/Dental	313.88
100-115-42101	Prof Svcs/Professional Ser...	3,941.00
100-115-42201	Office Expense	14.21
100-115-42506	Admin Exp/Bonds	7.14
100-115-43103	Utilities/Electricity & Pow...	199.88
100-116-41002	Emp Benefits/Dental	219.12
100-116-42110	Prof Svcs/Fingerprinting	32.00
100-116-42506	Admin Exp/Bonds	5.46
100-116-43103	Utilities/Electricity & Pow...	58.36
100-117-41002	Emp Benefits/Dental	156.94
100-117-41004	Emp Benefits/PERS Retir...	150,729.50
100-117-41101	Retiree Benefits/Medical-...	4,425.46
100-117-42110	Prof Svcs/Fingerprinting	32.00
100-117-42501	Admin Exp/Bank Fees	12.00
100-117-42506	Admin Exp/Bonds	1.50
100-117-43103	Utilities/Electricity & Pow...	649.23

Account Summary

Account Number	Account Name	Payment Amount
100-117-43105	Utilities/Cable	30.65
100-221-41002	Emp Benefits/Dental	2,867.28
100-221-41008	Emp Benefits/Long Term ...	594.00
100-221-42101	Prof Svcs/Professional Ser...	475.00
100-221-42107	Prof Svcs/Equipment Mai...	1,070.39
100-221-42110	Prof Svcs/Fingerprinting	383.00
100-221-42201	Office Expense	5.77
100-221-42301	Travel & Training/Conf-Re...	613.82
100-221-42303	Travel & Training/Meal Al...	225.00
100-221-42506	Admin Exp/Bonds	45.38
100-221-42514	Admin Exp/Special Depart	605.64
100-221-44301	Other Materials Supp/Fuel	826.13
100-221-46201	Insurance/General Liability	1,394.13
100-222-41002	Emp Benefits/Dental	219.12
100-222-42101	Prof Svcs/Professional Ser...	2,964.08
100-222-42105	Prof Svcs/Network Maint...	15,136.84
100-222-42107	Prof Svcs/Equipment Mai...	80.00
100-222-42201	Office Expense	125.92
100-222-42506	Admin Exp/Bomds	6.27
100-222-42514	Admin Exp/Special Depart	189.29
100-222-43103	Utilities/Electricity & Pow...	1,144.22
100-223-40101	Salary & Wages/Full Time	66.00
100-223-41002	Emp Benefits/Dental	1,181.00
100-223-41008	Emp Benefits/Long Term ...	215.00
100-223-42105	Prof Svcs/Network Maint...	6,487.21
100-223-42506	Admin Exp/Bonds	18.47
100-223-43103	Utilities/Electricity & Pow...	228.84
100-223-43105	Utilities/Cable	176.63
100-231-41002	Emp Benefits/Dental	1,388.98
100-231-42101	Prof Svcs/Professional Ser...	2,995.90
100-231-42104	Prof Svcs/Paramedic Servi...	158.20
100-231-42108	Prof Svcs/Building-Structu...	1,226.93
100-231-42506	Admin Exp/Bonds	26.15
100-231-43103	Utilities/Electricity & Pow...	1,342.33
100-341-41002	Emp Benefits/Dental	447.60
100-341-42506	Admin Exp/Bonds	8.27
100-343-41002	Emp Benefits/Dental	1,075.36
100-343-42101	Prof Svcs/Professional Ser...	9,401.07
100-343-42107	Prof Svcs/Equipment Mai...	267.25
100-343-42108	Prof Svcs/Building-Structu...	745.09
100-343-42506	Admin Exp/Bonds	10.68
100-343-42514	Admin Exp/Special Depart	493.87
100-343-43103	Utilities/Electricity & Pow...	1,276.97
100-345-42108	Prof Svcs/Building-Structu...	6,017.17
100-345-43102	Utilities/Water	49.26
100-345-43103	Utilities/Electricity & Pow...	430.21
105-221-41002	Emp Benefits/Dental	447.60
105-221-41008	Emp Benefits/Long Term ...	89.10
105-221-42506	Admin Exp/Bonds	20.42
105-231-41002	Emp Benefits/Dental	133.72
105-231-42506	Admin Exp/Bonds	9.09
106-114-42102	Prof Svcs/Attorney Servic...	2,320.31
106-221-42506	Admin Exp/Bonds	1.02
106-231-41002	Emp Benefits/Dental	156.94
106-231-42506	Admin Exp/Bonds	3.79
106-345-47203	Improvements/Parks	810.00
200-341-43103	Utilities/Electricity & Pow...	910.67
201-343-42513	Admin Exp/Rent	100.00

Account Summary

Account Number	Account Name	Payment Amount
201-343-43103	Utilities/Electricity & Pow...	316.03
204-227-41008	Emp Benefits/Long Term ...	59.40
204-227-42506	Admin Exp/Bonds	4.09
205-227-42506	Admin Exp/Bonds	0.25
207-344-42101	Prof Svcs/Professional Ser...	1,448.88
207-344-42107	Prof Svcs/Equipment Mai...	1,055.58
207-344-42514	Admin Exp/Special Depart	5,438.40
209-20015	Accounts Payable/Vendor...	19.52
209-20019	Accounts Payabale/Backu...	-324.00
209-20308	Deposits Payable/Recreat...	400.00
209-20309	Deposits Payable/Recreat...	1,000.00
209-551-41002	Emp Benefits/Dental	156.94
209-551-42506	Admin Exp/Bonds	1.71
209-552-41002	Emp Benefits/Dental	124.36
209-552-42108	Prof Svcs/Building-Structu...	129.42
209-552-42506	Admin Exp/Bonds	3.23
209-552-43103	Utilities/Electricity & Pow...	409.65
209-552-43804	Program Cost/Food Progr...	447.50
209-552-43805	Program Cost/Travel	5,152.00
209-552-43806	Program Cost/Dance Prog...	200.00
209-553-42506	Admin Exp/Bonds	1.46
209-553-42514	Admin Exp/Special Depart	854.23
209-553-43103	Utilities/Electricity & Pow...	73.87
209-554-41002	Emp Benefits/Dental	156.94
209-554-42506	Admin Exp/Bonds	2.96
209-554-43103	Utilities/Electricity & Pow...	58.37
209-556-42101	Prof Svcs/Professional Ser...	6,850.00
209-557-42108	Prof Svcs/Building-Structu...	828.22
209-557-43103	Utilities/Electricity & Pow...	1,248.12
209-558-42108	Prof Svcs/Building-Structu...	596.70
209-558-43103	Utilities/Electricity & Pow...	12.75
209-559-43103	Utilities/Electricity & Pow...	167.60
212-461-41002	Emp Benefits/Dental	-156.94
212-461-42101	Prof Svcs/Professional Ser...	3,360.00
212-461-42506	Admin Exp/Bonds	2.64
212-461-43103	Utilities/Electricity & Pow...	87.54
212-462-41002	Emp Benefits/Dental	133.72
212-462-42101	Prof Svcs/Professional Ser...	19,523.94
212-462-42506	Admin Exp/Bonds	5.00
212-462-43103	Utilities/Electricity & Pow...	220.30
213-346-42514	Admin Exp/Special Depart	600.00
215-341-43101	Utilities/Telephone	240.98
215-341-43103	Utilities/Electricity & Pow...	38.94
215-343-47205	Improvements/Streets	2,387.38
225-221-42514	Admin Exp/Special Depart	25,000.00
226-000-34223	Fees/CASp Fee	20.00
285-464-42101	Prof Svcs/Professional Ser...	2,379.80
285-464-43103	Utilities/Electricity & Pow...	72.95
310-347-42101	Prof Svcs/Professional Ser...	531.32
310-347-43103	Utilities/Electricity & Pow...	90.88
310-348-42101	Prof Svcs/Professional Ser...	281.32
310-348-43103	Utilities/Electricity & Pow...	10.65
317-345-42506	Admin Exp/Bonds	0.26
325-342-47205	Improvements/Streets	33,984.00
325-343-47205	Improvements/Streets	2,387.37
500-641-41002	Emp Benefits/Dental	1,192.24
500-641-42107	Prof Svcs/Equipment Mai...	170.43
500-641-42108	Prof Svcs/Building-Structu...	559.00

Account Summary

Account Number	Account Name	Payment Amount
500-641-42506	Admin Exp/Bonds	18.46
500-641-43103	Utilities/Electricity & Pow...	2,744.70
500-641-44305	Other Materials Supp/Lab...	666.60
500-642-41002	Emp Benefits/Dental	281.30
500-642-42101	Prof Svcs/Professional Ser...	115.00
500-642-42506	Admin Exp/Bonds	4.62
500-642-42514	Admin Exp/Special Depart	77.42
500-642-43103	Utilities/Electricity & Pow...	9.56
505-119-41002	Emp Benefits/Dental	219.12
505-119-42506	Admin Exp/Bonds	4.11
505-119-43103	Utilities/Electricity & Pow...	87.55
525-118-43101	Utilities/Telephone	27.32
525-118-47102	FF&E/Computer Equipme...	544.73
750-463-42101	Prof Svcs/Professional Ser...	232.20
998-20105	Sal & Ben Payable/Dental ...	405.66
	Grand Total:	**422,984.57**

Project Account Summary

Project Account Key		Payment Amount
None		422,984.57
	Grand Total:	**422,984.57**

Approved By _____ Date 5-2-19

CITY COUNCIL REPORT

7C

DATE: **MAY 7, 2019**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **HECTOR DE LA ROSA, ASSISTANT CITY MANAGER**

SUBJECT: **ADOPT A RESOLUTION APPROVING A TWO HUNDRED AND SEVENTY (270) DAY EXCLUSIVE NEGOTIATING AGREEMENT WITH HOUSING CONSORTIUM OF THE EAST BAY FOR THE DEVELOPMENT OF 811 SAN PABLO AVENUE**

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving a two hundred and seventy (270) day Exclusive Negotiating Agreement with Housing Consortium of the East Bay for development of 811 San Pablo Avenue.

BACKGROUND

In 2002, the Redevelopment Agency purchased a vacant parcel of land along San Pablo Avenue with Housing Funds. In 2003, the Agency approved a conceptual design for 11 live/work units, and in 2004 the Planning Commission approved the conceptual design, and the City Council approved a zoning change to mixed use later in that year.

In 2004, the City sought proposals for the development of the site and three proposals for the development of the property were received. Two contractors were ultimately selected to form a partnership for development of the site. In 2007, the partnership formation was not resolved and the project was not built.

The vacant property is approximate 0.60-acre located at 811 San Pablo Avenue, located between Pinole Shores Drive and Meadow Avenue.

REVIEW AND ANALYSIS

On June 22, 2018, the City issued a Request for Proposals seeking housing developers interested in building affordable housing at 811 San Pablo Avenue. Two affordable housing developers submitted proposals to the Council - Housing Consortium of the East Bay and Habitat for Humanity. Council directed staff to commence negotiations with Housing Consortium of the East Bay for development of a three story, eighteen (18) unit rental housing for individuals with developmental disability, veterans with mental illness who are homeless or at-risk of homelessness, and low-income workforce households.

Since February 5, 2019, the City and our consultant, RSG, have been in discussion with Housing Consortium of the East Bay negotiating the terms of an Exclusive Negotiating Agreement (ENA).

The Developer anticipates expending funds to prepare architectural and design drawings and conduct certain studies that are needed to assess the feasibility of the development and construction of affordable housing on the Property (the "Project"), and requires a grant of exclusive negotiating rights in order to be willing to make such expenditures. The ENA provides assurance to the Developer that the City will not entertain and negotiate other proposals during the feasibility period, as well as providing time for the parties to negotiate a Purchase and Sale Agreement, Development Agreement, Affordable Housing Agreement, and Financial Assistance Agreement for the Project on 811 San Pablo Ave.

The ENA deal points have been negotiated and are now in a form for Council consideration. The ENA has been drafted with the following key points:

- Agreement to enter into a two hundred and seventy (270) day negotiation period to negotiate the terms of a Purchase and Sale Agreement and Development Agreement. This timeframe is longer than other approved ENA's, but this is due to a new ruling which requires CEQA to be completed prior to approval of a Purchase and Sale agreement.
- Agreement allows for an extension of an additional 30 days, if Developer demonstrates that substantial progress on development of the site is occurring.
- Requires Developer to provide progress reports on their due diligence/feasibility review, preparation of architecture and construction plans and CEQA.
- Provision requiring Developer to provide methods of financing to be used in the acquisition and development of the properties.
- Requires a Deposit of $10,000 to reimburse staff for costs incurred in the negotiations of a Purchase and Sale Agreement and to ensure that the Purchaser will proceed diligently and in good faith to negotiate and obtain financing to purchase the property.
- Allows for a Reimbursement Agreement if additional agreements are necessary and negotiated such as a Development Agreement and Affordable Housing Agreement.
- Requires Developer submit Final Development Package to the City within 120 days of the approval of the ENA.

Once the Council approves the ENA, staff, our consultant, and representatives from Housing Consortium of the East Bay will immediately commence negotiating the terms and conditions of the Development Agreement and the Purchase and Sale Agreement. The Agreement(s) will be presented to the City Council for consideration and approval at a future meeting.

FISCAL IMPACT

None, the Developer will be required to submit to the City a total of $10,000 to which staff and attorney costs will be applied for negotiating the ENA and the Agreements.

ATTACHMENTS

Attachment - A	Resolution Approving the Exclusive Negotiating Agreement
Attachment - B	Exclusive Negotiating Agreement

ATTACHMENT A

RESOLUTION NO. 2019-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING A RESOLUTION APPROVING A TWO HUNDRED AND SEVENTY (270) DAY EXCLUSIVE NEGOTIATING AGREEMENT WITH HOUSING CONSORTIUM OF THE EAST BAY FOR THE DEVELOPMENT OF 811 SAN PABLO AVENUE

WHEREAS, the City, as the Housing Successor, is the owner of the Property located at 811 San Pablo Avenue in the City of Pinole, County Assessor's Parcel Number 402-166-030, (the "811 San Pablo Ave"); and

WHEREAS, the Property was purchased by the Redevelopment Agency of the City of Pinole (the "Agency") with Redevelopment funds; and

WHEREAS, pursuant to the Dissolution Law, the Agency was dissolved on February 1, 2012 and the Property were transferred to the City as the Housing Successor by operation of law; and

WHEREAS, the Property is currently vacant and zoned as Commercial Mixed use (CMU) but allows for 100% housing development along this portion of the San Pablo Avenue Corridor; and

WHEREAS, Housing Consortium of the East Bay is interested in purchasing and developing the property; and

WHEREAS, the City desires to sell the land for development; and

WHEREAS, Housing Consortium of the East Bay anticipates expending funds to prepare architectural and design drawings and conduct certain studies that are needed to assess the feasibility of the development and construction of affordable housing on the Property; and

WHEREAS, City staff, RSG, and Housing Consortium of the East Bay have negotiated the terms of an Exclusive Negotiating Agreement, substantially in the form as attached hereunto as Exhibit A, (the "Exclusive Negotiating Agreement"), for the Purchase of the Property through a Purchase and Sale Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pinole, acting as the Housing Successor to the Redevelopment Agency of the City of Pinole:

Section 1. The above recitals are true and correct and incorporated by this reference.

Section 2. City Council hereby approves the Exclusive Negotiating Agreement with Housing Consortium of the East Bay, for a two hundred and seventy (270) day term with the ability to extend the term for an additional thirty (30) days.

Section 3. The City Manager or her designated representative, is hereby authorized and directed, on behalf of the City, to execute the Exclusive Negotiating Agreement with such non-substantive changes that may be needed, as approved by the City Attorney, and to make all approvals and take all actions necessary or appropriate to carry out and implement the terms of the Exclusive Negotiating Agreement and the Reimbursement Agreement and to administer the City's obligations, responsibilities and duties to be performed under the Exclusive Negotiating Agreement and the Reimbursement Agreement.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 7th day of May 2019 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 7th day of May, 2019.

_____
Heather Iopu, CMC
City Clerk

EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT

by and among

HOUSING CONSORTIUM OF THE EAST BAY

and

THE CITY OF PINOLE, CALIFORNIA

DATED _____

DRAFT

THIS EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT (this "**Agreement**") is entered into by and between the City of Pinole, a California municipal corporation (the "**City**") and _____ a Corporation (together, the "**Developer**") dated as of _____ (the "**Effective Date**"). This Agreement is approved by the City and Developer each referred to as "**Party**" or collectively referred to as the "**Parties**."

WHEREAS, the City, as the Housing Successor, is the owner of certain Properties (the "**Properties**") located at 811 San Pablo Ave. in the City of Pinole, California, County Assessor's Parcel Number 402-166-030, (the "**811 San Pablo Ave**") as more particularly described in Exhibit A attached hereto and incorporated herein by this reference; and

WHEREAS, the Properties were purchased by the Redevelopment Agency Housing Fund of the City of Pinole (the "**Agency**") with Redevelopment funds; and

WHEREAS, on June 29, 2011 the legislature of the State of California adopted Assembly Bill x1 26 (as amended by AB 1484 and SB 107, the "**Dissolution Law**"), which amended provisions of the Redevelopment Law; and

WHEREAS, pursuant to the Dissolution Law the Agency was dissolved on February 1, 2012 and the Redevelopment Housing Assets of the Agency were transferred to the City as the Housing Successor by operation of law; and

WHEREAS, Developer anticipates expending funds to prepare architectural and design drawings and conduct certain studies that are needed to assess the feasibility of the development and construction of affordable housing on the Property (the "**Project**"), and requires a grant of exclusive negotiating rights in order to be willing to make such expenditures; and

WHEREAS, the City desires to negotiate a Purchase and Sale Agreements, development agreement, affordable housing agreement, and financial assistance agreement (the "Purchase and Sale Agreements") for the Project on **811 San Pablo Ave** with Developer.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

1. Good Faith Efforts to Negotiate. The Parties will use their best efforts to successfully negotiate a Purchase and Sale Agreements, a development agreement, an affordable housing agreement and any other documents required by the City for each of the Properties (a "**Purchase and Sale Agreements**") that will describe the terms and conditions governing the purchase of the Properties by Developer. The Parties will diligently and in good faith pursue such negotiations. Furthermore, the Parties will use their best efforts to obtain any third-party consent, authorization, approval, or exemption required in connection with the transactions contemplated hereby. This Agreement does not impose a binding obligation on City to convey any interest in the Properties to

Developer, nor does it obligate City to grant any approvals or authorizations required for the Properties or any project or improvements constructed thereon.

a. If Developer has not continued to negotiate diligently and in good faith, City will give written notice thereof to Developer who will then have ten (10) business days to commence negotiating in good faith. Following the failure of Developer to thereafter commence negotiating in good faith within such ten (10) business day period, this Agreement may be terminated by City. If this Agreement is terminated by City pursuant to the above sentence, Developer acknowledges and agrees that City will suffer damages, including lost opportunities to pursue other development alternatives for the Properties and delayed receipt of Properties tax revenues from the Properties, and that it is impracticable and infeasible to fix the actual amount of such damages. Therefore, the Parties agree that if this Agreement is terminated as provided above, City will retain the Deposit (as defined in Section 5 of this Agreement, *infra*), plus any interest thereon, as fixed and liquidated damages and not as a penalty, and following such termination neither Party will have any further rights against or liability to the other under this Agreement.

b. If City has not continued to negotiate diligently and in good faith, Developer will give written notice thereof to City which will then have ten (10) business days to commence negotiating in good faith. Following the failure of City to thereafter commence negotiating in good faith within such ten (10) business-day period, this Agreement may be terminated by Developer. In the event of such termination by Developer, City will return the Deposit to Developer in accordance with the provisions of Section 5 of this Agreement and neither Party will have any further rights against or liability to the other under this Agreement.

c. If, notwithstanding City's and Developer's mutual diligent, good faith negotiations, the Parties have not entered into at least one Purchase and Sale Agreements on or before expiration of the Term of this Agreement (as defined in Section 3 of this Agreement) or any extension thereof, City will return the Deposit after taking into account any expenditures made for costs incurred by the City pursuant to this Agreement, and neither Party will have any further rights against or liability to the other under this Agreement.

d. If performance of this Agreement results in execution of Purchase and Sale Agreements, the disposition of the remaining Deposit will be transferred to the Reimbursement Agreement to be negotiated in conjunction with the Purchase and Sale Agreements.

2. Developer's Exclusive Right to Negotiate With City. City agrees that it will not, during the term of this Agreement, directly or indirectly, through any officer, employee, agent, or otherwise, solicit, initiate or encourage the submission of bids, offers or proposals by any person or entity with respect to the acquisition of any interest in the Properties or the development of the Properties, and City will not engage any broker, financial adviser or

consultant to initiate or encourage proposals or offers from other parties with respect to the disposition or development of the Properties or any portion thereof.

Furthermore, City will not, directly or indirectly, through any officer, employee, agent or otherwise, engage in negotiations concerning any such transaction with, or provide information to, any person other than Developer and its representatives with a view to engaging, or preparing to engage, that person with respect to the disposition or development of the Properties or any portion thereof.

3. Term.

a. The term of this Agreement (**"Term**") commences on the Effective Date, and will terminate two hundred and seventy (270) days thereafter, unless extended or earlier terminated as provided herein.

b. During the Term, Developer will provide City with progress reports every thirty (30) days with respect to Developer's due diligence review of the Properties, commencement of environmental requirements under CEQA, preparation of architecture and construction plans, and general progress toward development of the Properties.

c. The Term of this Agreement may be extended for up to a maximum of thirty (30) additional days upon the mutual written agreement of Developer and City acting through and in the discretion of its City Manager, or her designee ("**City Manager**"). Developer understands that the City will only consider an extension of the Term of this Agreement where Developer has demonstrated, to the City's satisfaction, substantial progress towards development of the Properties, by submittal of architectural design documents, the submittal of a categorical exemption or a Mitigated Negative Declaration under CEQA requirements, and undergoing Planning Commission consideration for a conditional use permit.

4. Relationship of the Parties. Nothing in this Agreement creates between the Parties the relationship of lessor and lessee, of buyer and seller, or of partners or joint venturers.

5. Deposit for City Costs.

a. In consideration for this Agreement and the costs the City has and will incur in furtherance of this Agreement and the negotiation of the Purchase and Sale Agreements, Developer will, within five (5) days of the Effective Date, submit to City a good faith deposit ("**Deposit**") in the amount of Ten Thousand Dollars ($10,000) in immediately available funds. City will deposit the Deposit in an account, when received by City, will become part of the Deposit.

b. On or before expiration of the Term of this Agreement, the City may, in accordance with the provisions of Section 1(c) of this Agreement, draw on the Deposit to reimburse the City's cost for third-party assistance and staff time in the

negotiations for each Purchase and Sale Agreements. The City will provide Developer a written account of such reimbursement.

c. Any amount remaining in the Deposit after expiration of the Term of this Agreement or execution of a Purchase and Sale Agreements, whichever comes first, and taking into account expenditures authorized by Section 5(b) above, will be transferred to any amounts due under the Reimbursement Agreement to be negotiated pursuant to this Agreement.

6. Terms and Conditions of the Purchase and Sale Agreements. The Parties agree to use their best efforts to successfully negotiate the terms of the Purchase and Sale Agreements including, but not limited to (i) the purchase price for the sale of 811 San Pablo Ave. Property, (ii) the proposed Projects to be constructed on each of the Properties; (iii) the schedule of performance for the construction of the Projects. In the event that the City determines during the course of negotiation of the Projects, in the City's sole determination, that a development agreement is needed for the Project (a "**Development Agreement**"), an affordable housing agreement (a "Affordable Housing Agreement"), Developer hereby agrees to enter into a reimbursement agreement (the "**Reimbursement Agreement**") with City for the reimbursement of City costs related to negotiation of the Agreements.

7. Developer's Studies; Right of Entry.

a. During the Term of this Agreement, Developer will use its best efforts to prepare, at Developer's expense, any studies, surveys, plans, specifications and reports ("**Developer's Studies**") Developer deems necessary or desirable in Developer's sole discretion, to complete its due diligence for the Properties. Developer's Studies may include, without limitation, title investigation, relocation analyses, marketing, feasibility, soils, seismic and environmental studies, financial feasibility analyses and design studies. The Developer will have rights of access to the Properties to prepare the Developer's Studies.

b. Developer hereby agrees to notify the City twenty-four (24) hours in advance of its intention to enter the Properties.

c. Developer will provide the City with workplans, drawings, and descriptions of any intrusive sampling it intends to do and any additional items stated in this section. Developer must keep the Properties in a safe condition during its entry. Developer shall repair, restore and return the Properties to its condition immediately preceding Developer's entry thereon at Developer's sole expense.

i. On June 22, 2018 the City released a RFP to solicit proposals from qualified developers for the development of the Project. On August 22, 2018, in response to the RFP, the Developer submitted a "Preliminary Development Package," consisting of the following:

(1) Cover letter providing a general overview of the Project including details on the management and operations of the property;

(2) Design concept narrative including the proposed improvements, target population, supportive services, and other onsite amenities;

(3) Developer team breakdown identifying the members of the team, the teams experience, including the Developer's organizational documents;

(4) Project cutsheets for developments that the Developer has completed in the past;

(5) The Developer's financial capacity consisting of the financing plan for the project, the Developer's financials, and the proposed Project's pro forma.

ii. Within one hundred twenty (120) days from the Effective Date, Developer shall submit to the City "Final Development Package," consisting of the following:

(1) Fully updated information in each category and every item set forth under the heading "Preliminary Development Package";

(2) Proposed final identification of all sources of financing, including predevelopment, construction, and permanent financing with a description of the terms and conditions of such financings;

(3) A well-defined site plan generally describing the Project using schematic drawings, and which depicts in detail the proposed design and configuration thereof;

(4) Square footages of all improvements; total gross building area (GBA) of the Proposed Project, with the GBA of the affordable units, with size and floor plan/configuration of each of the affordable units;

(5) The circulation areas and GBA thereof;

(6) Description of the common area amenities and common areas GBA thereof;

(7) Configuration of onsite parking, including residents', guests' and handicapped users' parking spaces with number and type of parking spaces;

(8) A detailed and updated pro forma for the Proposed Project that identifies all sources and uses of funds including without limitation design of the Proposed Project and supporting infrastructure, along with initial estimates of development costs, including hard and soft construction and non-construction costs;

(9) Development cost budget broken down into direct construction cost line items, indirect cost assumptions, and construction period, sales period, financing costs thereof, if any;

(10) An updated timeline that includes, based upon consultation with City staff, as well as the best professional judgment of Developer, the provision of necessary onsite and offsite improvements for the Project;

(11) A detailed estimate of development costs, including all hard and soft construction and non-construction costs, and the remediation costs, if any, for development of the Property for rental housing;

(12) All costs determined from phased environmental investigation and testing of the Property in compliance with all applicable federal, state, regional and local laws and regulations related to the physical and environmental condition thereof, including necessary assessment of the health and risk parameters for development and operation of residential dwelling units; and

(13) An updated, detailed proforma adequate to enable the City to evaluate the economic feasibility of the Project.

d. Without limiting any other indemnity provisions set forth in this Agreement, Developer shall indemnify, defend (with counsel approved by City) and hold the City, its officials, officers, employees, and volunteers harmless from and against all claims resulting from or arising in connection with entry upon the Properties by Developer or Developer's agents, employees, consultants, contractors or subcontractors pursuant to this Section 7. Developer's indemnification obligations set forth in this Section 7 shall survive the termination of this Agreement.

e. If upon expiration of the Term of this Agreement the Parties have not successfully negotiated the Purchase and Sale Agreements, Developer will provide City within fifteen (15) days following said date of expiration copies of the Developer's Studies completed by such date. Developer will also provide City with copies of any Developer's Studies completed after the expiration of the Term within fifteen (15) days following completion of such studies, or if Developer intends not to complete any Developer Studies, Developer will provide City with copies of such uncompleted studies.

8. City's Reports and Studies. Within ten (10) days following the Effective Date, City will make available to Developer for review or copying at Developer's expense all nonprivileged studies, surveys, plans, specifications, reports, and other documents with respect to the Properties that City has in its possession or control, which have not already been provided. Studies or documents prepared by City and its agents solely for the purpose of negotiating the terms of Purchase and Sale Agreements are not required to be provided by City to Developer and are excluded from this requirement.

9. Developer's *Pro Forma* and Evidence of Financing. Prior to the execution of the Purchase and Sale Agreements contemplated by this Agreement, Developer will provide City with a pro forma for any such project that confirms the financial feasibility of Developer's proposed development of the Properties. The pro forma shall include the names and amounts from each funding source. Developer will provide progress reports to the City on the status of funding applications and commitments. City is not obligated to seek approval of a Purchase and Sale Agreements from the City Council unless and until the documents required by this Section have been provided.

10. Full Disclosure. Developer is required to make full disclosure to City of its principals; officers; major stockholders, partners or members; joint venturers; negotiators; development managers; consultants and directly involved managerial employees, if any, (collectively, "**Developer Parties**"); and all other material information concerning Developer. Any change in the identity of the Developer Parties will be subject to the approval of City, which will not be unreasonably withheld. Developer will make and maintain full disclosure to City of its methods of financing to be used in the acquisition and development of the Properties.

11. Expenses. Except as otherwise expressly provided herein, third-party costs and expenses (including, without limitation, all legal fees and expenses) incurred in connection with this Agreement and the activities contemplated hereby will be paid by the Party incurring the same; provided however, if City and Developer reach agreement on the terms of a Purchase and Sale Agreements and such Purchase and Sale Agreements is approved and executed by the City, Developer will reimburse the City for any third-party costs (in excess of the amounts previously paid from the Deposit) incurred in connection with the negotiation and preparation of the Purchase and Sale Agreements and any related documents.

12. Confidentiality; Dissemination of Information. To the extent permitted by law, during the term of this Agreement, each Party will obtain the consent of the other Party prior to issuing or permitting any of its officers, employees or agents to issue any press release or other information to the press with respect to this Agreement; provided however, no Party will be prohibited from supplying any information to its representatives, agents, attorneys, advisors, financing sources and others to the extent necessary to accomplish the activities contemplated hereby so long as such representatives, agents, attorneys, advisors, financing sources and others are made aware of the terms of this Section. Nothing contained in this Agreement will prevent either Party at any time from furnishing any

required information to any governmental entity or authority pursuant to a legal requirement or from complying with its legal or contractual obligations.

13. Execution of Purchase and Sale Agreements. If the Parties successfully negotiate at least one Purchase and Sale Agreements, City agrees to comply with all applicable federal and state legal requirements, including the California Environmental Quality Act ("**CEQA**"). The City has no legal obligation to grant any approvals or authorizations for the sale of the Properties or any development thereon until a Purchase and Sale Agreements has been approved by the City Council.

14. Termination.

a. This Agreement may be terminated at any time by mutual consent of the Parties.

b. City will have the right to terminate this Agreement upon its good faith determination that Developer is not proceeding diligently and in good faith to carry out its obligations pursuant to this Agreement. City will exercise such right in accordance with the provisions set forth in Section 1 of this Agreement.

c. Developer will have the right to terminate this Agreement, in accordance with the provisions set forth in Section 1 of this Agreement, if the results of its investigation of the Properties are unsatisfactory, in Developer's sole and absolute discretion, with respect to Developer's desired development activities or if Developer is unable to obtain other necessary approvals, rights or interests.

d. Neither Party will have the right to seek an award of damages as a result of the termination of this Agreement pursuant to this Section.

15. Effect of Termination. Upon termination as provided herein, or upon the expiration of the Term and any extensions thereof without the Parties having successfully negotiated at least one Purchase and Sale Agreements, this Agreement will forthwith be void, and there will be no further liability or obligation on the part of either of the Parties or their respective officers, employees, agents or other representatives; provided however, the provisions of Section 11 (Expenses), Section 12 (Confidentiality; Dissemination of Information), Section 17 (Indemnification), and Section 21 (Brokers) will survive such termination. Provided further, that upon termination or expiration of this Agreement without the Parties having successfully negotiated a Purchase and Sale Agreements, Developer will deliver to City all of the Developer's Studies pursuant to the provisions of Section 7 of this Agreement.

16. Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement will be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other parties in accordance with this Section. All such notices will be sent by:

a. Personal delivery, in which case notice is effective upon delivery;

b. Certified or registered mail, return receipt requested, in which case notice will be deemed delivered on receipt if delivery is confirmed by a return receipt;

c. Nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;

d. Facsimile transmission, in which case notice will be deemed delivered upon transmittal, provided that

i. A duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or

ii. A transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile will be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a nonbusiness day.

City: City of Pinole
2131 Pear Street
Pinole, Ca 94564
Attn: City Manager
Tel (510) 724-9000
Fax (510) 724-9826

with a copy to: Meyers Nave
555 – 12th Street, Suite 1500
Oakland, Ca 94564
Attn: Pinole City Attorney
Tel (510) 808-2000
Fax (510) 444-1108

Developer: Housing Consortium of the East Bay
410 7th Street, Suite 203
Attn: Executive Director
Tel (510) 832-1382
Fax (510) 832-1743

17. Indemnification. Developer hereby covenants, on behalf of itself and its permitted successors and assigns, to indemnify, hold harmless and defend the City and its elected and appointed officials, officers, agents, representatives and employees ("**Indemnitees**") from and against all claims, costs (including without limitation reasonable attorneys' fees and litigation costs) and liability, arising out of or in connection with this Agreement

and/or arising out of or in connection with the Developer's access to and entry on the Properties pursuant to Section 7 of this Agreement; provided however, Developer will have no indemnification obligation with respect to the gross negligence or willful misconduct of any Indemnitee.

18. Severability. If any term or provision of this Agreement or the application thereof will, to any extent, be held to be invalid or unenforceable, such term or provision will be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions of this Agreement or the application of such terms and provisions to circumstances other than those as to which it is held invalid or unenforceable unless an essential purpose of this Agreement would be defeated by loss of the invalid or unenforceable provision.

19. Entire Agreement; Amendments In Writing; Counterparts. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, oral and written, between the Parties with respect to such subject matter. This Agreement may be amended only by a written instrument executed by the Parties or their successors in interest. This Agreement may be executed in multiple counterparts, each of which will be an original and all of which together will constitute one agreement.

20. Successors and Assigns; No Third-Party Beneficiaries. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided however, that neither Party will transfer or assign any of such Party's rights hereunder by operation of law or otherwise without the prior written consent of the other Party, and any such transfer or assignment without such consent will be void. Subject to the immediately preceding sentence, this Agreement is not intended to benefit, and will not run to the benefit of or be enforceable by, any other person or entity other than the Parties and their permitted successors and assigns.

21. Brokers. Each Party warrants and represents to the other that no brokers have been retained or consulted in connection with this transaction. Each Party agrees to defend, indemnify and hold harmless the other Party from any claims, expenses, costs or liabilities arising in connection with a breach of this warranty and representation. The terms of this Section will survive the expiration or earlier termination of this Agreement.

22. Approvals. Unless otherwise provided in this Agreement, the City Manager will be authorized to enter into all written approvals, consents or waivers by the City without further authorization by the City Council. Nothing herein, however, will be deemed to prevent the City Manager from requesting formal approval by the City Council if the City Manager, in her sole discretion, determines to seek such approval.

23. Captions. The captions of the sections and articles of this Agreement are for convenience only and are not intended to affect the interpretation or construction of the provisions hereof.

24. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

SIGNATURES ON FOLLOWING PAGE

DRAFT

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY

By: _____
Michelle Fitzer
City Manager

ATTEST:

By: _____
Rosa Acosta
City Clerk

APPROVED AS TO FORM:

By: _____
Eric S. Casher
City Attorney

DEVELOPER

By: _____
Darin Lounds
Executive Director

DRAFT

Exhibit A

811 San Pablo Ave.

DRAFT

2913580.1

CITY COUNCIL REPORT 7D

DATE: MAY 7, 2019

TO: MAYOR AND COUNCIL MEMBERS

FROM: TAMARA MILLER, DEVELOPMENT SERVICES DIRECTOR/CITY ENGINEER

SUBJECT: APPROVE AN AMENDMENT TO THE CONTRACT AND ISSUE A TASK ORDER FOR 4 LEAF INC. FOR A CONTRACT PLANNING MANAGER IN AN AMOUNT NOT TO EXCEED $100,000, AND AMEND THE BUDGET APPROPRIATION

RECOMMENDATION

It is recommended that the City Council approve a resolution to:

1. Authorize the City Manager to execute an amendment in standard form to the On-Call contract with 4Leaf for a Task Order for an Interim Planning Manager in an amount not to exceed $100,000; and

2. Authorize the Finance Director to make the necessary amendments to the adopted budget to allocate $100,000 from the Planning/Building Fund Balance.

BACKGROUND

On November 13, 2018, the City Council approved Resolution No. 2018-101 approving on-call contract services for several consulting firms including 4Leaf, Inc. The City has been utilizing the services of 4Leaf for Building Inspector/Code Enforcement contract staffing while trying to recruit for the budgeted Senior Building Inspector and Building Inspector / Code Enforcement Officer positions. At this time 4Leaf is also able to provide an Interim Planning Manager while we recruit for the Planning Manager position.

REVIEW & ANALYSIS

The City's Planning Manager left the City to join the staff of another City leaving our position empty. We have been and expect to continue to experience a lot of activity in building and planning. It is necessary for us to have an Interim Planning Manger to be able to deliver service to the development community. We have an existing task order for contract staff in the Building Division. The task order had adequate funding to bring on the Interim Planning Manager quickly, but to clarify the tasks being provided by 4Leaf and add funding for the anticipated interim period, another amendment to the On–Call contract is necessary.

FISCAL IMPACT

To provide the funding necessary to cover this task order, $100,000 will need to be allocated from the Planning/Building Fund Balance (212) to Professional Services.

ATTACHMENTS

A. Resolution
B. 4 Leaf Contract Amendment Task Order

ATTACHMENT A

RESOLUTION NO. 2019-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, APPROVING AN AMENDMENT TO THE ON CALL CONTRACT WITH 4LEAF ISSUING A TASK ORDER FOR AN INTERIM PLANNING MANAGER IN AN AMOUNT NOT TO EXCEED TO $100,000, AND AMENDING THE BUDGET APPROPRIATION

WHEREAS, the City has utilized 4Leaf for many years for a myriad of services including construction plan check services, building inspection services; and permit technician services; and

WHEREAS, in November 13, 2018, the City Council approved several on-call contracts which included 4Leaf Consultants for a period of four (4) years ending November 13, 2022 with the understanding that any contract amendments in excess of $45,000 be presented to the City Council for approval; and

WHEREAS, the City is currently recruiting for a Planning Manager; and

WHEREAS, the City continues to experience high levels of building activity and code enforcement service requests from the public; and

WHEREAS, 4Leaf can provide the staff augmentation for the Planning Manager vacancy, in addition to the building inspection and code enforcement; and

WHEREAS, the anticipated additional cost for a contract Planning Manager for the remainder of Fiscal Year 2018/2019 is expected to be $100,000; and

WHEREAS, the anticipated additional cost for an Interim Planning Manager will be funded by reallocating budgeted total salaries and benefits and fund balance.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Pinole does hereby take the following actions:

1. Authorize the City Manager to execute an amendment in standard form to the On-Call contract and issue a task order for 4Leaf to provide an Interim Planning Manager for an amount not to exceed $100,000; and

2. Authorize the Finance Director to allocate $100,000 from the Building/Planning Fund Balance (212) to Professional Services in the Planning Division.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 7th day of May 2019**,** by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on the 7th day of May 2019.

_____
Heather Iopu, CMC
City Clerk

AMENDMENT TO THE
CONSULTING SERVICES AGREEMENT
BETWEEN THE CITY OF PINOLE AND
4LEAF, INC.

This Amendment to the Consulting Services Agreement dated November 20th, 2018 (the "Agreement"), between the City of Pinole, a general law city and municipal corporation, ("City") and ("Consultant") (together sometimes referred to as "Parties") is approved as of the date executed below.

Effect of Amendment. The terms and conditions of this Amendment are intended by the Parties to modify the Agreement. To the extent there is any inconsistency between the terms of this Amendment and the terms of the Agreement and/or its Appendix, the terms of this Amendment shall control.

Exhibit A and B shall read as follows:

Task Order to provide an Interim Planning Manager in an amount not to exceed $100,000.

With the exception of the foregoing, all other terms and conditions in the Services Agreement, dated November 20th, 2018, remain in force and effect.

The Parties have executed this Amendment to the Agreement as of the date signed by the Authority.

City of Pinole

_____
Michelle Fitzer
City Manager

Dated: _____

Contractor

_____

Dated: _____

Approved as to Form

Eric S. Casher
City Attorney

Dated: _____

CITY COUNCIL REPORT

7E

DATE: MAY 7, 2019

TO: MAYOR AND COUNCIL MEMBERS

FROM: MICHELLE FITZER, CITY MANAGER

SUBJECT: APPROVAL OF THE RESOLUTION SUPPORTING THE CONTRA COSTA COUNTY JURISDICTIONS' HOUSING AND POLICY FRAMEWORK OF APRIL 2019

RECOMMENDATION

It is recommended that the City Council approve the attached resolution supporting the Contra Costa County Jurisdictions' Housing and Policy Framework of April 2019.

BACKGROUND

This action is in follow-up to Council's discussion and direction at the April 16th meeting to support the Housing legislation letter presented at that meeting, and bring back this material for Council action on May 7th.

As was mentioned on April 16th, the topic of the CASA Compact and now the related Housing legislation has been discussed at the Contra Costa Mayors Conference a few times, the League of California Cities East Bay Division, and various other meetings throughout the Bay Area over the last several months.

The Contra Costa City Managers Association also discussed this topic at our March meeting. Several cities, representing all areas of the County, volunteered their Planning Managers/Directors to work off of the Tri-Valley Cities evaluation (previously provided) and determine a recommended Contra Costa Cities response. The presentation to the City Managers was held on April 11th, and the outcome of that presentation is the attached Contra Costa County Jurisdictions' Housing and Policy Framework, which was discussed in context at our April 16th meeting.

REVIEW & ANALYSIS

The Framework is a regional guiding document for all of the Contra Costa agencies to consider adopting as a guide for legislative advocacy. It approaches this very important topic by addressing the "key themes" to consider while informing, influencing, and advocating on the topic of housing. Those are:

Balanced Solutions – Housing, Jobs, and Transportation

- Regional solutions need to take a balanced approach that considers housing, transportation/transit, and jobs together. Building housing without adequate transportation infrastructure may exacerbate, not alleviate, the affordable housing crisis.

- Regional transit agencies and MTC must support improved transit services to existing and new neighborhoods and address accompanying funding needs.

- Until the transportation and transit infrastructures are improved and ready to accommodate the new housing growth, focus initial efforts to producing housing in the counties where the jobs are located and where the jobs/housing ratio is at its worst.

- Incentivize employers to locate in housing-rich environments.

Provide, Promote, and Protect Affordability

- Protect existing affordable housing stock, including rental apartments, deed-restricted units, and mobile homes, and promote affordable housing that includes long-term affordability agreements.

- Ensure that all new state mandated incentives, fee reductions, and density bonus program are directly linked to the level and percentage of affordable units provided for each project.

Context-Sensitive Housing

- Avoid “one-size-fits-all” standards for regional housing by ensuring that policies and laws allow for sensitivity to local context. For example, historic districts should be exempt from higher density housing requirements if they are not compatible with the historic context of the area. Provide flexibility to cities that have demonstrated that they are working towards meeting their RHNA numbers.

- Advocate and facilitate production of ADUs (examples: reduce all fees including those from special districts and utility companies) and encourage development of “missing-middle” housing that is compatible with suburban community character (examples: duplex, triplex and four-plexes, small scale apartment complexes).

- Enable cities to develop locally-appropriate plans that meet State objectives in a manner that is compatible with existing community character. For example, some cities use density-based (rather than height-based) development standards and realistic parking requirements given their distance from reliable and frequent public transit.

Infrastructure and Services

- Mandates for new housing production need to be accompanied by funding that can support expanded transportation, transit, and infrastructure, including planning, and capital improvement programs and funding to support new school facilities.

Funding and Resources

- There should be no net loss of local funding.

- New funding measures should not unduly impact local taxation capacity or divert financial resources from essential local public services and infrastructure programs.

- Any new housing mandates should include funding to offset administrative costs associated with supporting the new program and new reporting requirements. Funding to offset administrative costs could include concepts similar to the surcharge on building permit applications for the Certified Access Specialist (CASP) program.

The Framework also includes an analysis of pending legislation, as it relates to the original CASA elements, and a recommended approach on each area. This will be helpful in assisting staff to determine positions on bills as they progress through the legislative process.

Of most interest has been SB 50. This bill is a developer opt-in bill that would exempt specified housing projects from locally adopted parking requirements, density limits, height maximum limits less than 55 feet, and floor area ratio (FAR) minimums less than 3.25. This bill is thoroughly outlined in the Framework document. Currently the League of California Cities has an "oppose unless amended" position on this bill. At this time amendments have been proposed to combine SB 50 and SB 4. This may be helpful to Pinole, as the only qualifying condition in SB 50 that may have impacted us was the bus service, as we do not have a rail or ferry. With the amendment (Attachment C) the headway times have been reduced, which likely means our WestCat service does not operate frequently enough for Pinole to fall under the parameters of SB 50. As of the writing of this report, the bill has been referred back to the Appropriations Committee. Samantha Caygill of the League will be at our May 21st meeting and can advise on the state of the bill then.

Also attached (Attachment D) is a presentation from the Town of Danville to their Council. This is included as a reference, since it was requested by a community member that this agenda item incorporate a slide regarding the housing/jobs imbalances. That is included in the presentation, along with other good information. Kudos to the Town of Danville, as they have really taken the lead on this topic in Contra Costa County. Their staff was instrumental in preparing the Framework, and

they presented this topic to the Mayors Conference on May 2nd. This has been especially helpful since our Planning Manager position is vacant, so we do not have our in-house expertise at this time.

FISCAL IMPACT

None.

ATTACHMENTS

A. Resolution
B. Contra Costa County Jurisdictions' Housing and Policy Framework
C. SB 50 Amendments
D. Town of Danville Presentation

ATTACHMENT A

RESOLUTION NO.

**RESOLUTION OF THE CITY OF PINOLE
SUPPORTING THE CONTRA COSTA COUNTY JURISDICTIONS' HOUSING AND POLICY FRAMEWORK OF APRIL 2019**

WHEREAS, the Contra Costa County Jurisdictions' recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

WHEREAS, in January of 2017, the State of California published a report titled "California's Housing Future: Opportunities and Challenges," which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide "housing crisis"; and

WHEREAS, in September of 2017, California Governor Jerry Brown signed into law the "Housing Package" consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

WHEREAS, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

WHEREAS, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

WHEREAS, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

WHEREAS, the State's focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local Jurisdictions; and

WHEREAS, the Contra Costa County Jurisdictions recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

WHEREAS, there is a unique opportunity for the Contra Costa County Jurisdictions to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control of decision making; and

WHEREAS, the Contra Costa County Jurisdictions affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

WHEREAS, the Contra Costa County Jurisdictions' Housing and Policy Framework provides a comprehensive approach, reflecting the following Key Themes:

- Balanced Solutions – Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

WHEREAS, the Key Themes are topic areas where there is consensus among the Contra Costa County and its respective cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

WHEREAS, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

WHEREAS, the Pinole City Council met on May 7, 2019 to consider and discuss the Contra Costa County Jurisdictions' Housing and Policy Framework;

NOW, THEREFORE BE IT RESOLVED THAT THE PINOLE CITY COUNCIL DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

Section 1. The Contra Costa County Jurisdictions' Housing and Policy Framework is hereby supported on matters related to housing legislation.

Section 2. The Contra Costa County Jurisdictions may from time-to-time revisit the Contra Costa County Jurisdictions' Housing and Policy Framework to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

Section 2. The Mayor and City Manager are authorized to take positions on behalf of the City in regard to pending legislation consistent with the Contra Costa Jurisdictions' Housing and Policy Framework and to communicate those positions to interested parties on behalf of the City Council.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Pinole City Council held on the 7th day of May, 2019 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

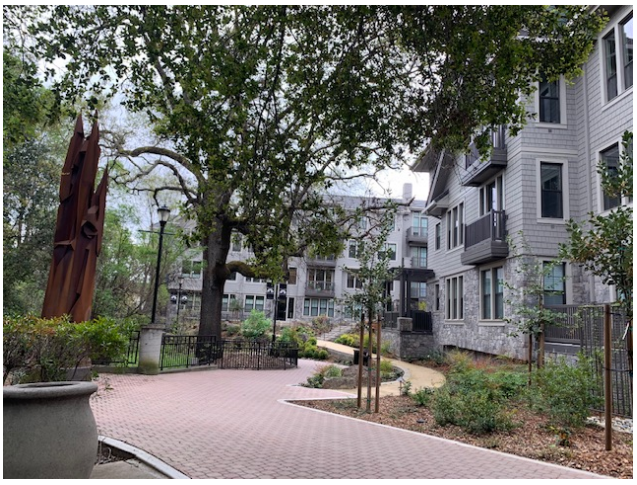
I hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on this 7th day of May, 2019.

_____
Heather Iopu
City Clerk, CMC

ATTACHMENT B

Contra Costa County Jurisdictions'

HOUSING AND POLICY FRAMEWORK PROPOSAL



APRIL 2019

PREAMBLE

The jurisdictions taking part in this effort value regional leadership and collaboration to maintain and improve the quality of life for Contra Costa County residents and to create a positive environment for employers. These Contra Costa County jurisdictions recognize the challenges inherent in providing adequate and affordable housing opportunities in the region. Recent efforts at the regional level, namely through the Committee to House the Bay Area (CASA), and by State legislators have brought these challenges and the resultant policy implications for the Contra Costa County into sharper focus. There is a unique opportunity for the Contra Costa County Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local decision making.

Knowing that scores of new housing bills are likely to be introduced by State legislators in 2019 and beyond, the Contra Costa County jurisdictions taking part in this effort recommend a proactive and nuanced approach to advocacy and engagement, with the cities working together. In addition to educating our stakeholders on these issues, our goal is to influence the legislative process and create a shared position on key topics, where possible. While this approach identifies common areas of concern, each city may continue to pursue their own individual areas of concern that are context sensitive to their community.

INTRODUCTION

Contra Costa represents one of the most diverse areas in the State, and each jurisdiction has its own perspective on how to best meet the needs of its resident and business communities. However, many of our interests overlap, which allows for collaboration and advocacy that will strengthen the voice of the Contra Costa County. The Contra Costa County jurisdictions taking part in this effort are committed to open and honest communication with a goal of building consensus and a united approach to address housing legislation as it is developed by State legislators.

The housing challenges in California are real and the current and upcoming legislative cycles will include notable and impactful housing legislation that will be felt statewide, including in Contra Costa County. Recent history has demonstrated that simply opposing legislation has limited effectiveness (and in fact, may be counter-productive) and that jurisdictions will need to collaborate to influence legislative efforts, such as proposing revisions to draft legislation, to address new housing law as it is developed.

BACKGROUND

California's Affordable Housing Crisis & The State's Response

In 2017, the State of California published a report titled, "California's Housing Future: Challenges and Opportunities." The report identifies the severity of the housing shortage across the State and became a backdrop to the State's adoption of a suite of 15 housing-related bills known as the 2017 "Housing Package". The 15 bills focused on:

- Providing funding for affordable housing;
- Streamlining the review and approval process for housing;
- Increasing accountability and reporting requirements for local governments; and
- Preserving existing affordable housing.

During the 2017 legislative cycle many communities (including multiple Contra Costa County jurisdictions) responded to the proposed legislation with an outright rejection of the entire Housing Package. Nonetheless, the 15 bills were signed into law, and in 2018, most local jurisdictions began implementation of these measures in various ways. Key pieces of that recent legislation are outlined later in this Housing Framework.

HOUSING ELEMENT

Purpose

The Housing Element is one of nine mandated elements in a city's General Plan and implements the declaration of State law that, "the availability of housing is a matter of vital statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order." (Gov. Code § 65580)

At the local level, the Housing Element allows the local jurisdiction to approve a community-specific (local) approach to "how" and "where" housing needs will be addressed to meet the needs of their community. A jurisdiction's Housing Element must be updated every eight years.

For the Bay Area, the current planning period started in 2015 and ends in 2023. The next planning period will run from 2023 to 2031, meaning that local jurisdictions will be updating their Housing Elements in the 2021/2022 timeframe.

Regional Housing Need Allocation (RHNA)

All California cities and counties are required to accommodate their fair share of regional housing need. This fair share assignment is determined through a Regional Housing Needs Allocation (RHNA) process. The California Department of Housing and Community Development (HCD) determines the share of the state's housing need for each region. In turn, the council of governments (COG) for the region allocates to each local jurisdiction its share of the regional housing need. In the nine-county Bay Area, the region's COG is the Association of Bay Area Governments (ABAG). After the RHNA is determined, local jurisdictions must update their Housing Element (and typically identify housing opportunity sites and rezone property) to demonstrate that there is an adequate amount of land zoned, at appropriate density, to achieve its RHNA for the current planning period.

Planning vs. Building; No Net Loss

Under current state law, a jurisdiction is not required to *build* the housing units assigned to it by the RHNA. Rather, it is required to adopt a land use program – appropriate General Plan and Zoning, including identification of specific sites with available infrastructure and suitable physical conditions – to accommodate these housing units under market-driven conditions. The "No Net Loss" laws (adopted in 2017 by Senate Bill [SB] 166) ensure that local governments do not approve projects with less units per income category or downzone these opportunity sites after their Housing Element has been certified. This means that cities cannot approve new housing at significantly lower densities (or at different income categories) than was projected in the Housing Element without making specific findings and identifying other sites that could accommodate these units and affordability levels.

RHNA Cycles & Income Levels

Based on population projections from the California State Department of Finance in the lead-up to the last RHNA, and economic and regional housing market uncertainty (including the "Great Recession"), HCD required the Bay Area to plan for 187,990 new housing units during the current 2015-2023 RHNA cycle.

A RHNA assignment is comprised of four income categories: very low; low; moderate; and above moderate income. Table 1 shows the current combined RHNA for Contra Costa County and its 19 jurisdictions.

Table 1 – Contra Costa County and Cities 2015-2023 RHNA and Housing Production through 2017

Income Level	RHNA Allocation by Income Level	Total Permits to Date	Total Remaining RHNA by Income Level
Very Low	5244	401	4861
Low	3075	507	2568
Moderate	3458	1104	2444
Above Moderate	8802	7648	1154
Total RHNA	20579	6143	11027

Source: Department of Housing and Community Development (HCD) Annual Progress Reports

Similar to many communities throughout the Bay Area, the Contra Costa County jurisdictions' RHNA for housing production of very-low, low, moderate, have been modest. In fact, most of the low- and very-low income unit production has been generated by inclusionary zoning[1] requirements, or produced with substantial subsidies from local, state and federal dollars. The production data is indicative of the real challenges faced by local jurisdictions in meeting RHNA for lower income housing in a market-driven environment, where high land and development costs mean substantial subsidy is needed to build each unit, and where local, State and federal funding is inadequate to meet all but a tiny fraction of the need. Cities have the ability to

[1] Inclusionary Zoning = local zoning code standards that require a portion of a market rate project to be provided (and maintained) at below-market-rate.

designate Housing Opportunity Sites; however, with the loss of redevelopment, financing and construction of the housing unit is predominately driven by the private sector.

Certification and Annual Progress Report (APR)

After local adoption, State law provides HCD with the authority to review and "certify" each jurisdiction's Housing Element. To ensure ongoing compliance, the law requires local jurisdictions to submit an annual report to HCD, generally referred to as the Annual Progress Report (APR), documenting the number of housing units in various affordability categories that have been produced over the past year and through the course of the eight-year housing element cycle.

RECENT CHANGES TO STATE LAW

The extensive housing legislation passed in 2017 (as part of the Housing Package) and supplemented in 2018 reflects the seriousness for State leaders to address the affordable housing crisis. Their focus has been largely on holding local governments accountable (increasing reporting and monitoring), curtailing the discretionary review process (streamlining), and identifying new funding sources.

Of the 15 bills passed in 2017 and the follow-on bills passed in 2018, the following are the most relevant and potentially impactful to Contra Costa County communities:

Streamlined Approval (SB 35): SB 35 requires cities to "streamline" the approval process for housing developments if the jurisdiction has not issued sufficient building permits to satisfy its regional housing need by income category. A project would be eligible for ministerial approval if it complies with objective planning standards, meets specifications such as a residential General Plan designation, does not contain housing occupied by tenants within 10 years, and pays prevailing wages. Additionally, projects must restrict 10 to 50 percent of their units to be affordable to households classified as having low- or very low-income (i.e., less than 80 percent of the area median income).

Housing Accountability Act (SB 167, AB 678, AB 1515): The bills affecting the Housing Accountability Act apply to every housing development application, not just those with an affordable housing component. The legislation requires that local governments provide developers with a list of any inconsistencies between a proposed project and all local plans, zoning, and standards within 30 to 60 days after the application is complete or the project will be deemed complete with all local policies. Additionally, if a housing project complies with all "objective" general plan, zoning, and subdivision standards, it may not be denied or have its density reduced unless a city or county can find that the project would have a specific adverse

impact on public health and safety. If a project includes affordable units, a local jurisdiction is responsible for making additional findings to deny the project, reduce its density, or add a condition that makes the project infeasible, even if the project does not comply with all "objective" standards.

No Net Loss (SB 166): State law in place prior to 2017 prohibited cities from downzoning sites or approving projects at less density than identified in their Housing Elements. Under the 2017 modification, if the approval of a development project results in fewer units by income category, the jurisdiction must identify additional sites to accommodate the RHNA obligation lost as a result of the approval and make corresponding findings. This change is significant because, for many cities, the Housing Element will have counted most of the high-density housing sites as producing very-low and low-income units, when actual projects constructed will typically provide only a portion of their units at below-market rates. This means cities will likely need to zone additional land for higher density development to ensure there is an adequate number of sites to meet RHNA, and to make more conservative assumptions about future yield of affordable units on those sites.

Housing Element Requirements (AB 1397): This bill makes many changes to how a jurisdiction establishes its Housing Element site inventory. Of special note, this legislation requires "by-right" approval for projects that offer 20-percent of its units at a rate that is affordable to lower income households.

BART TOD Districts (AB 2923): This bill was passed in 2018 and established minimum local zoning requirements for BART-owned land that is located on contiguous parcels larger than 0.25 acres and within one-half mile of an existing or planned BART station entrance. All cities must adopt conforming standards within two years of BART adopting transit-oriented development (TOD) standards (or by July 1, 2022) that include minimum height, density, parking, and floor area ratio requirements. In addition, all projects must include a minimum 20 percent of units for very low and low-income households. This bill is anticipated to help facilitate BART's plan to build 20,000 units across its network.

PENDING LEGISLATION

Local jurisdictions should expect another round of significant housing legislation in 2019, and likely beyond. In the first three months of 2019, more than 50 new bills dealing intended to spur housing development have been introduced. Two key issues, the CASA Compact and Senate Bill (SB) 50, are discussed in detail below.

See Attachment 1 for a more detailed breakdown of 21 pieces of proposed legislation, the CASA Compact elements they relate to, as well as local concerns and recommended approaches for future advocacy work. The Contra Costa County jurisdictions participating in this effort will continue to monitor and advocate as appropriate.

CASA Compact Overview

From this point forward, much of this legislation will likely be informed and influenced by the CASA Compact, which was released in December 2018. The Metropolitan Transportation Commission (MTC) formed CASA to address the affordable housing crisis. CASA is a 21-member steering group comprised of major employers, for-profit and nonprofit housing developers, affordable housing advocates, transportation professionals, charitable foundations and elected officials from large cities. CASA's Compact is an ambitious 10-point plan to remedy the Bay Area's housing issues.

The CASA Compact sets out to achieve three goals:

- Produce 35,000 housing units per year (14,000 affordable to low-income and 7,000 to moderate-income, a 60% affordability rate);
- Preserve 30,000 existing affordable units (26,000 of which are market-rate affordable units and 4,000 are at-risk over the next 5 years); and
- Protect 300,000 lower-income households (those who spend more than 50% of income on their housing).

To achieve these goals, the Compact includes 10 Elements (or actions). Below is a brief summary (see Attachment 1 for a more detailed overview):

- *Elements 1-3 – Preserve and Protect*

  Together, these elements represent the "preserve and protect" components of the Compact, including arguments for: just-cause eviction standards; rent caps; and rent assistance and free legal counsel.

- *Elements 4-8 – Production*

  Together, these elements are the "production" component of the Compact, with subcategories, including: accessory dwelling units (ADUs); process streamlining and financial incentives; and using public land for affordable housing.

- *Elements 9-10 – Revenue and Administration*

  Together, these elements offer revenue generating mechanisms to fund the Compact and suggests the formation of a new independent regional "housing authority" to collect and distribute those funds.

The Compact concludes with "Calls for Action," which were ideas that garnered sufficient interest from the CASA steering committee, but not enough to become a standalone element in the Compact. Because these will also generate some legislative interest, those topic areas are also briefly discussed here:

- *Redevelopment 2.0:* Pass legislation enabling the re-establishment of redevelopment in California to provide new funding for affordable and mixed income development.

- *Lower the Voter Threshold for Housing Funding Measures:* Pass legislation that would apply a 55% threshold for affordable housing and housing production measures.

- *Fiscalization of Land Use:* Pass legislation that would return e-commerce/internet sales tax revenues to the point of sale - not at the point of distribution as it is currently - to provide cities that have a significant residential base with a commensurate financial incentive to develop new housing. Also, pass legislation that would change the Proposition 13 property tax allocation formula to provide cites that build more housing with a higher share of property tax revenue.

- *Homelessness:* CASA's funding package includes resources that help produce housing for formerly homeless people and prevent homelessness when possible.

- *Grow and Stabilize the Construction Labor Force*: Increase the construction labor pool by requiring prevailing wages on projects that receive incentives, calling upon the State to improve the construction employment pipeline, and creating a CASA/state labor workgroup to implement.

Concluding Thoughts Regarding CASA

The intent of the CASA Compact is to serve as state legislative research data for future housing legislation. Specifically, its development timeline is driven by the desire to place elements of the Compact on the ballot in the 2020 General Election. While some jurisdictions are likely to support the philosophical principles of the CASA Compact, many have expressed concerns that revolve around three main issues:

- *One-Size-Fits-All Approach*: The Compact proposes one-size solutions that may be effective in large urban cities but can be counterproductive in smaller suburban and rural communities. As an example, rent caps may disincentivize multifamily housing production in suburban communities. In another example, mandating high density housing near transit lines presumes transit service remain static when in fact that is not the case in suburban communities.

- *Potential to Jobs/Housing Imbalance*: The Compact's singular focus on housing production throughout the entire region minimizes the fact that the most acute housing pressure is focused in three of the nine counties in the Bay Area (San Francisco, San Mateo and Santa Clara), where most of the jobs are being created. Imposing housing production in far reaches of the Bay Area, including certain areas of Contra Costa County, would not alleviate the crisis in the three counties with the largest employment centers. Instead, it would likely induce significant congestion and exacerbate the jobs/housing imbalance. A more reasonable approach could be to adjust the production requirements based on a county's existing housing supply.

- *Absence of Public Engagement*: One of the most concerning aspects of the Compact is the absence of a transparent public process that would have incorporated input from those most affected - the general public and cities throughout the region. An often-repeated concern is that this top-down approach is not only ill-informed of the issues highlighted above but could breed anti-growth sentiment that would actively resist reasonable measures to build or fund affordable housing in the future.

Equitable Communities Incentive (SB 50)

SB 50 is an evolution of Senator Wiener's 2018 proposed bill, SB 827. It is a developer opt-in bill that would require a city or county to grant an "equitable communities incentive," which is a waiver from maximum controls on density, height, and parking spaces per unit, and up to three concessions (such as deviation from setbacks or other development standards), if the project provides low, very low or extremely low income housing and is located in a "job-rich housing project" or "transit-rich housing project," as defined below:

"Transit-rich housing project" means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

"Job-rich housing project" means a residential development within an area identified by the Department of Housing and Community Development and the Governor's Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs.

The League of California Cities Housing, Community and Economic Development Policy Committee (HCED) discussed SB 50 at their January 17, 2019, meeting. HCED took a position to oppose the bill unless amended. Understanding that Senator Weiner is the Chair of the Housing Committee, along with the political make-up of the Senate and Assembly, HCED formed a subcommittee to explore amendments to SB 50 to make it more amenable to cities and will be presented and discussed further at a later time.

A summary of SB 50, which was presented to HCED on January 17, 2019, is included as Attachment 2.

PROACTIVE APPROACH TO LEGISLATIVE ADVOCACY

Below is a discussion of “key themes” to consider while informing, influencing, and advocating, on the topic of housing.

Key Themes

Balanced Solutions – Housing, Jobs, and Transportation

- Regional solutions need to take a balanced approach that considers housing, transportation/transit, and jobs together. Building housing without adequate transportation infrastructure may exacerbate, not alleviate, the affordable housing crisis.
- Regional transit agencies and MTC must support improved transit services to existing and new neighborhoods and address accompanying funding needs.
- Until the transportation and transit infrastructures are improved and ready to accommodate the new housing growth, focus initial efforts to producing housing in the counties where the jobs are located and where the jobs/housing ratio is at its worst.
- Incentivize employers to locate in housing-rich environments.

Provide, Promote, and Protect Affordability

- Protect existing affordable housing stock, including rental apartments, deed-restricted units, and mobile homes, and promote affordable housing that includes long-term affordability agreements.
- Ensure that all new state mandated incentives, fee reductions, and density bonus program are directly linked to the level and percentage of affordable units provided for each project.

Context-Sensitive Housing

- Avoid “one-size-fits-all” standards for regional housing by ensuring that policies and laws allow for sensitivity to local context. For example, historic districts should be exempt from higher density housing requirements if they are not compatible with the historic context of the area. Provide flexibility to cities that have demonstrated that they are working towards meeting their RHNA numbers.
- Advocate and facilitate production of ADUs (examples: reduce all fees including those from special districts and utility companies) and encourage development of “missing-

- middle" housing that is compatible with suburban community character (examples: duplex, triplex and four-plexes, small scale apartment complexes).

- Enable cities to develop locally-appropriate plans that meet State objectives in a manner that is compatible with existing community character. For example, some cities use density-based (rather than height-based) development standards and realistic parking requirements given their distance from reliable and frequent public transit.

Infrastructure and Services

- Mandates for new housing production need to be accompanied by funding that can support expanded transportation, transit, and infrastructure, including planning, and capital improvement programs and funding to support new school facilities.

Funding and Resources

- There should be no net loss of local funding.

- New funding measures should not unduly impact local taxation capacity or divert financial resources from essential local public services and infrastructure programs.

- Any new housing mandates should include funding to offset administrative costs associated with supporting the new program and new reporting requirements. Funding to offset administrative costs could include concepts similar to the surcharge on building permit applications for the Certified Access Specialist (CASP) program.

NEXT STEPS

- Housing and Policy Framework Workshop for Mayors and City Councilmembers
- Develop engagement materials that highlight the narrative regarding key themes

ATTACHMENTS

1. CASA Compact Legislation - Summary & Recommendations
2. SB 50 Overview

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
1. **Just Cause Eviction Standards: Adopt a Bay Area-wide requirement that landlords must cite specific "just causes" (both fault and no-fault) for an eviction. Landlords are required to cover relocation assistance in all "no-fault" evictions. Exemptions would apply.** **Objective:** ***Protect tenants from arbitrary evictions.***	CONCERN STATUS: **Low**, there is a potentially significant *unfunded mandate* if cities are responsible for administering/enforcing measures. CONCERNS • Disincentivizes property owners, who spend a large portion of total income on housing cost, from making housing available for rent on the open market if they are required to provide relocation assistance.	**Monitor** legislative progress of these elements. If efforts move forward, advocate for amendments that would allow: • Implementation to occur *after* new regional funding sources are available for administration. • Administrative responsibility to be assigned to an existing regional agency (no new regional bureaucracy). • Mediation to be required as a part of a person seeking their legal remedies for unfair eviction. • Provide exemptions for homeowners with ADUs and owner-occupied duplex and triplex units.	AB 1481 (Bonta) [spot bill] – Non-substantive amendments to existing provisions of state law relating to residential tenancy (intro: 2/22/19).

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
2. Rent Cap: Establish a Bay Area-wide emergency rent cap that limits annual rent increases to "reasonable" amount. For an emergency period (defined as 15 years), the annual cap would be no more than CPI+5%. Certain exemptions and banking provisions would apply. **Objective:** ***Decrease the number of households at risk of displacement and to prevent homelessness.***	CONCERN STATUS: **Low**, this element has the potential to be counterproductive to multi-family housing production (rent cap disincentivize investment). CONCERNS • *Production* of housing units because it limits a project's potential return on a high-risk investment; • *Maintenance and improvement* of the existing housing stock because property owners would be unable to recoup these investments. • *Tenant turn-over*, leading to a potential "mis-match" between tenants and rental units, which could lead to a decrease in available housing stock. Once a tenant has secured a rent-controlled apartment, s/he may not choose to move in the future and give up the rent-controlled unit, even if housing needs change. Research information source: https://www.brookings.edu/research/what-does-economic-evidence-tell-us-about-the-effects-of-rent-control/ • *Rent control was recently defeated at the ballot box.*	**Monitor** legislative progress of these elements. If efforts move forward, advocate for amendments that would allow: • Uninhibited production of new rental units and incentives for existing rental units to stay rental and not be converted to for-sale units. • Ensure landlords have ability to cover all necessary maintenance and administrative costs. • Allow a reasonable time period for newly constructed rental units not be subject to rent cap and then it can apply.	AB 1482 (Chiu) [spot bill] – Non-substantive amendments to existing provisions of state law relating to tenant rights (intro: 2/22/19). AB 36 (Bloom) [spot bill] – Stabilize rental prices and increase availability of affordable rental units (intro: 12/3/18).

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
3. Rent Assistance and Free Legal Counsel: Provide access to free legal counsel and emergency rent assistance for tenants with an urgent, temporary financial gap. Funding, policies and guidelines to be determined (presumably by the new regional housing authority) at a later time. **Objective:** ***Ensure right to legal counsel; provide funding for emergency/temporary rent gap.***	CONCERN STATUS: **Low**, there is a potentially significant *unfunded mandate* if cities are responsible for administering/enforcing measures. CONCERNS • Presumes *all* tenants lack resources to legal counsel while *all* landlords do not. The inverse could be true and result in abuse of the system on the part of tenants seeking to thwart a lawful eviction.	**Monitor** legislative progress of these elements. If efforts move forward, advocate for amendments that would allow: • Implementation to occur *after* new regional funding sources are available for administration. • Administrative responsibility to be assigned to an existing regional agency (no new regional bureaucracy). • A "means test" (demonstration of need) to be required before receiving free legal assistance.	SB 18 (Skinner) [spot bill] – "Keep Californians Housed Act" (*applicable statewide*): • Extend provisions of state law to grant month-to-month tenants a 90-day notice prior to eviction • Require State HCD to post landlord/tenant guide • Appropriate funds from General Fund to State HCD to provide and administer statewide rental assistance grants • Establish the "Homelessness Prevention and Legal Aid Fund" (intro: 12/3/18, amended: 3/4/19)

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
4. Remove Regulatory Barriers to Accessory Dwelling Units (ADUs): Extend existing state law to allow ADUs on single family lots and multiple ADUs in existing multi-family buildings with ministerial approval. **Forgives code violations in grandfatherd ADUs. Impact fees to be based on a square foot basis and only on net new living area >500 SF.** **Objective:** ***Increase more affordable units, provide income source for cost-burdened homeowners.***	CONCERN STATUS: **Low,** cities have generally supported the production of ADUs by making it simpler, faster and cheaper to build these units. CONCERNS • This Element indicates a lack of understanding that cities serve as a collection point for many pass-through fees to other public agencies (such as utility connection and school district fees), which represent the majority of all fees imposed on an ADU. For example, in the San Ramon valley, these fees represent **79-percent** of the fees incurred by a typical 742 SF ADU. Given their disproportionate percentage of the total fee amount, limitations and reduction should apply to ALL pass-through public agencies. • Removing energy efficiency requirements is contrary to established State Green House Gas (GHG) reduction goals. • Reducing fees across the board without an evaluation of the impacts to public services and infrastructure is contrary to the fiscal sustainability of each city. • Code violations should not be forgiven if they pose health and safety concerns.	**Full support** and **expansion** of this element by: • Extending the fee limitation/reduction to ***all*** pass-through fees (including utility connection fees and school district fees), provided that the fees remain proportionate to impacts generated. • Developing standardized ADU permit plans in a range of sizes, pre-approved at the State level, allowing for minimal local plan check requirements (reduced plan check time offsets fee limitations). • Allowing cities to count, by right, ADUs that are "affordable by design" in the RHNA process (examples: count ≤ 550 SF ADU as "Low" and 551-1,000 SF ADU as "Moderate" income units). • Advocate for standardized Building Codes for ADUs • Ensure existing structures are brought up to Code for legitimate Health and Safety reasons.	AB 68 (Ting) – Accessory Dwelling Units - Land Use Requirements (*applicable statewide*): • Reduces ministerial approvals from 120 to 60 days • Restricts ability to impose standards related to minimum lot size, floor area ratio (FAR), setbacks, replacement of off-street parking if garage is converted to ADU • Prohibits local regulations from restricting ADUs if they are ≥ 800 SF and ≥ 16-feet high • Clarifies definition of "owner occupant" and restricts frequency of occupancy monitoring • Requires cities without ADU ordinances to grant ministerial approval consistent with state law (intro: 12/3/18) AB 69 (Ting) – Accessory Dwelling Units – Small Home Building Standards (*applicable statewide*): • Require State HCD to propose small home building standards to the California Building Standards Commission governing ADUs and homes ≤ 800 SF • Authorizes State HCD to notify State Attorney General if an ordinance violates state law (intro: 12/3/18) SB 13 (Wieckowski) [spot bill] – Accessory Dwelling Units – Reduce Impact Fees (intro: 12/3/18)

5. Minimum Zoning Near Transit: Establish state-wide *minimum zoning* for housing on all residential, commercial and institutional zones to allow 'missing middle' housing product types to be: • **Minimum 36-feet high within ½-mile of *high quality bus service*, defined as a bus stop with 15-min headways (weekday peak) and 30-min headways (weekend)** • **Minimum 55-feet high (75' with density bonus) within ¼-mile of a major transit stop, defined as a rail station or a ferry terminal)** ***Housing Overlay on Low-Density Commercial Sites*: Make housing an allowable use on large commercially-zoned parcels near job centers with high quality transit.** ***Tenant Protections*: Sites rezoned would be subject to tenant protections, demolition controls and "no net loss" provisions.** ***Affordable Housing*: Required at levels not less than state density bonus law. Projects with 10-20 units should have option to pay in-lieu fee as its affordable housing obligation.** ***Sensitive Communities*: receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.** **Objective:** ***Spur development near transit*.**	CONCERN STATUS: **High**, as it ignores community context with the potential for significant displacement and land speculation near transit. CONCERNS: This is a one-size-fits-all approach that: • *Ignores community context* – creating potential land use incompatibility issues with tall developments immediately adjacent to low density areas or within historic districts/downtowns. • Generates *impacts on local infrastructure* (i.e., water, sewer, schools, traffic) while fee limitations proposed in Element 6 limits ability to mitigate those impacts. • Creates *land speculation* around transit zones, driving up land costs and in turn causing housing development costs to rise. • Requiring minimum *height does not create density*, as it is possible to build a tall multi-story project with lower density luxury units. • Unaware of the fact that *transit service is not static* in suburban cities; tying housing requirements to transit routes which may be eliminated due to budget cuts (or lowering demand) is problematic as it introduces density to areas that may not have any transportation. • Unaware of the fact that some commercially zoned properties are purposely zoned as such to serve predominately residential areas; as a State Green House Gas (GHG) reduction goal to lower vehicles miles traveled (VMT). • Does not include frequency thresholds or minimum headways for rail station or ferry terminal definitions. • Creates housing near transit but is unclear about proximity to jobs.	**Oppose unless amended** as follows: • Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit and a balanced land use framework. • Focus requirement on density not on height (as the latter does not necessarily result in more units) and allow cities to retain design quality control to facilitate local acceptance. • Establish realistic frequency thresholds to be considered for rail stations, specifically ACE or Amtrak train lines, which have very limited infrequent service. • Apply density increase as a *percentage* of adjacent land uses (example: 50% increase in density or height) in acknowledgement that not all communities take the same form near transit lines (example: San Francisco vs the Pleasanton/Dublin Area). • Establish increases contingent upon funding a transit agency's ability to maintain headways for a specified number of years. • Allow a time period for cities to incorporate these requirements into their General Plans and obtain local feedback. • Exempt historic districts/downtowns where high-density housing is not compatible with the historic context of the area. **Monitor** any legislation regarding the definition and requirements on "low density" commercial areas. **Balanced Approach:** Pursue and support policies that maintain the delicate balance of jobs, adequate affordable housing, and a robust transportation network to connect new housing to jobs and daily services. Actively discourage policies that favors one of these at the expense of the others.	SB 50 (Wiener) – "Equitable Communities Incentive" (*applicable statewide*): • Qualified "job-rich" and or "transit-rich" housing projects would receive waivers in from maximum density controls, parking requirements, and up to three additional incentives allowable under existing Density Bonus Law • Additional waivers for projects located within ½-mile or ½-mile radius of major transit stop • Defers these requirements for "sensitive communities" until January 1, 2025 (intro: 12/3/18)

6. "Good Government" Reforms to Housing Approval Process: Focused on streamlining the permitting process and how residential impact fees are set and enforced. • ***Streamlining* (zoning compliant projects <500 units): Includes "locking" rules, fees and historic status at the date of the "application completeness"; permits no more than 3 de novo hearings for each project.** • ***Impact Fees*: Impose a state standard for establishing and imposing impact fees using objective standards rather than current "reasonableness" test. Allow for fee deferral (pay some fees at a later point in the development process).** • ***Inclusionary Zoning*: Establish state law that precludes inclusionary programs from being 'additive' (density bonus, housing impact fees, local inclusionary requirements). Requires in-lieu fees to be an option for fulfilling inclusion (i.e., ability to 'buy' out of providing onsite affordable housing).** • ***Downzoning and Moratoria*: State to set criteria for when these can be used locally.** • ***Annual 'Impositions' Report*: Recommends cities annually document any impositions (undefined) that would increase the hard cost (excludes labor and materials) of housing construction (such as fees and inclusionary zoning requirements.** **Objective:** ***Remove 'regulatory uncertainty' perceived to be a major cause of economically infeasible projects.***	CONCERN STATUS: **High**. This has the potential to significantly reduce public input in the review process which may lead to distrust and community concern. CONCERNS: This is a one-size-fits-all approach that: • Disincentivizes developers to collaborate on delivering projects that best meet community needs (such as mitigating traffic and infrastructure impacts, offering community amenities). • Significantly reduces the ability to provide public input and the ability to satisfy the public concerns. Reducing public interest may lead to distrust. • Potentially eliminates ability to negotiate community benefits (services and infrastructure to support those who would occupy the housing) as a part of the development process. • Sends a mixed message regarding inclusionary housing, which has been the greatest single contributor to affordable housing in the Contra Costa. Elements of the Compact require inclusionary housing, while this element alleviates the inclusionary requirement for developers. • As written, this Element severely limits a city's ability to use good design and planning techniques to integrate new affordable housing into the fabric of a community, which will likely result in further community resistance to affordable housing development.	**Oppose unless amended** as follows: • Require an "expiration date" for all fees and regulations locked at application completeness to ensure they are applicable to viable projects. Eliminates abuse by developers who might "lock" a future application to avoid addressing future federal, state or local requirements that may surface. • Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system. • Maintain clear and objective standards and controls, and support fee deferral programs that ensure context sensitivity. • Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit. **Monitor** any legislation regarding the definition and requirements related to an "impositions report."	AB 1483 (Grayson) – Transparency in fees and reporting requirements (*applicable statewide*): • Compile zoning and development standards and development fees imposed and post on website, submit to State HCD and metropolitan planning organization (such as MTC) • Annually submit list of all pending housing development projects to State HCD and metropolitan planning organization (such as MTC) (intro: 2/22/19) AB 1484 (Grayson) – Restrictions on changes in housing and development fees after project submittal (*applicable statewide*): • Prohibits cities from imposing a fee unless it is specifically listed on the website at the time of project submittal • Requires cities to provide the project applicant the web location which lists all fees applicable to the housing development • Prohibits cities from imposing, increasing or extending fees on a housing development project that is in excess of the list provided (intro: 2/22/19) SB 330 (Skinner) – "Housing Crisis Act of 2019" (*applicable statewide*): Among other things, this would prohibit cities and voter-approved initiatives from down-zoning land, imposing housing moratoriums, imposing costly design standards, establishing caps on discretionary approvals, and establishes maximum 3 de novo hearings on housing proposals. (intro: 2/19/19)

7. Expedited Approvals and Financial Incentives: Another permit streamlining effort to accelerate approvals of zoning-compliant projects and enable on-site affordability with financial incentives. ***Streamlining*: Applies to zoning compliant projects that restrict at least 20% of onsite housing units to middle-income households, defined as 80-150% of area median income (AMI). Projects granted a statutory CEQA exemption and limited discretionary review.** ***Financial Incentives* include 15-year property tax *increment* abatement, cap on impact fees, parking standards reduced to 50% of local requirement. Projects to pay prevailing wage.** ***Sensitive Communities*: receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.** **Objective: *Build more moderate income housing units*.**	CONCERN STATUS: **High**. Much of the Contra Costa has limited developable lands remaining. However, the remaining new and infill developments generate impacts that rely on fees to mitigate. There should be no net loss of local funding. CONCERNS: This one-size-fits-all approach generates many of the same concerns as described in Element #6. Additionally: • Potential to reduce property tax allocations for each City. • Caps on impact fees to a "reasonable" level is currently undefined. • Further caps on impact fees would eliminate funding sources to provide services and infrastructure (example: school, transit, etc.). • Requirement to pay prevailing wage is inconsistent with the overall goal to lower housing construction costs. • Reducing tax allocations given to each city without an evaluation that the impacts generated continue to be covered is contrary to the fiscal sustainability of each city.	**Oppose unless amended** as follows: • There should be no net loss of local funding. • Require outside agencies to cap/reduce fees to stimulate affordable housing. • Require an "expiration date" for all fees and regulations locked at application completeness to ensure they are applicable to viable projects. Eliminates abuse by developers who might "lock" a future application to avoid addressing future federal, state or local requirements that may surface. • Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system. • Implement and maintain clear and objective standards and controls to ensure context sensitivity. • Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit. • Consider middle income household definition of 80-120% of area median income, consistent with local standards (instead of 80-150% of AMI), which makes units more affordable. • 50% parking reduction from local standards should initially be applied only in transit rich areas where residents actually have to option to use frequent and high quality public transit. • Projects should be required to agree to a 30-50 year inclusionary requirement to receive the streamlining and financial incentives listed.	AB 1485 (Wicks/Quirk) [spot bill] – Housing development streamlining for zoning-compliant projects, financial incentives for onsite affordability and prevailing wages. Would allow "sensitive communities" to defer implementation. (intro: 2/22/19) AB 1706 (Qirk) [spot bill] – Affordable housing streamlining, tax incentives and other benefits to developers of qualified middle-income housing projects. (intro: 2/22/19) SB 6 (Beall/McGuire) [spot bill] – Requires State HCD to provide list of local lands suitable and available for residential development (to be identified by cities as a part of their Housing Element). Database to be searchable and publicly accessible. (intro: 12/3/18)

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
8. Unlock Public Lands for Affordable Housing: Promote use of "surplus" and "underutilized" public lands (undefined) for affordable housing through legislative and regulatory changes. **This would also create a database listing all publicly owned land in the Bay Area, limit approval process to no more than two years, and deploy 10 percent of underutilized/surplus public land to affordable housing development on an annual basis.** **Element also calls for policies to help expand the housing construction labor pool, including requiring trained apprentices and prevailing wages. Exceptions would apply to temporary housing built to address an emergency.** **Objective:** ***Encourage re-use of public land for mixed income/affordable housing units.***	CONCERN STATUS: High. The Contra Costa has varying amounts of public land between cities. However, the remaining public lands should include context sensitive community plans for each city. CONCERNS: This is a one-size-fits-all approach that: • Ignores community context – creating potential land use incompatibility issues with tall developments immediately adjacent to low density areas or within historic districts/downtowns. • Ignores the fact that not all public lands have the same value for affordable housing development, as some large tracts of public land are located at the urban fringe, away from transit and is inappropriate for housing development that leads to sprawl. • Ignores the fact that ability to deploy land is driven by market forces, which cities do not control. • Disregards the efforts underway by local communities to plan vacant lands around transit in a context-sensitive manner. • Limits a city's ability to use good design and planning techniques to integrate new affordable housing into the fabric of a community, which will likely result in further community resistance to affordable housing development. • Lacks a definition for surplus and underutilized land and how this proposal relates to the exiting Surplus Land Act requirement to offer surplus land to affordable housing developers and other public agencies.	**Support with amendments** as follows: • Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit. • Provide clear and objective standards for the definition of "surplus land." • Should prioritize land around existing or approved transit stops • Require projects to be consistent with locally adopted land use plans that are already in place (e.g. specific plans) and consistent with objective local standards. **Monitor** any developing legislation regarding the definition of "surplus/underutilized" lands. As appropriate, advocate for amendments that would allow: • Cities to partner with the public entity which owns the surplus land to ensure projects are developed in a manner consistent with local plans and design standards.	AB 1486 (Ting) – Public surplus land for housing development, among other things: • Expands definitions of "local agency" to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies (RDAs), etc.; • Defines "surplus land" to mean land owned by any local agency that is not necessary for the agency's government operations • Defines the term "dispose of" to includes sale, lease, transfer or other conveyance of interest in real property; • Notification requirements to include council of governments (e.g., Association of Bay Area Governments or ABAG); • Limits negotiations on sales price and lease terms, including the amount and timing of payments (intro: 2/22/19)

9. Funding and Financing the CASA Compact: Raise $1.5 billion new revenue annually from broad range of sources including (but not limited to) property taxes, ¼-cent sales tax, head tax, and General Obligation Bonds (reissued every 5 years). Of the total $1.5 billion, $300 million would come from local communities (former RDA set aside and future tax increment). **New revenue *allocation* formula:** - **Up to 10% for local jurisdiction incentives** - **Remainder to tenant protection, preservation, housing subsidies** **New revenue *distribution* formula:** - **75% to county of origin ("return to source")** - **25% to regional program ("revenue sharing")** **Revenue collection and disbursement would be managed by a new regional housing authority (described in Element 10).** **Objective:** ***Fund elements of the Compact that requires public subsidy (e.g., rental assistance, free legal counsel, financial incentives, etc.).***	CONCERN STATUS: **High**. Though not included in the Compact, the Governor has already suggested withholding SB1 funds from cities that do not meet their RHNA assignment. Most cities do not meet the RHNA assignment for at least low and very low units, mostly because such affordability requires significant local subsidies to even get built – the private market simply won't build these units on its own. CONCERNS • No "return to source" formula at the city-level, resulting in a greater perception of some communities being "donor communities" without having resources to meet its assigned housing obligation. • Vacant property tax could be punitive to small property owners, particularly if vacancy is beyond their control. Potential ***unfunded mandate*** if responsibility for enforcement falls upon local cities. • Commercial fees/taxes may be counterproductive if it drives employers out of the region and suppresses business retention. • The property tax "set aside" is punitive to those cities whose tax base is largely from property taxes. • Wide range of new taxes and fees may limit a city's taxing capacity (limit its voters' appetite to pass local funding measures).	**Oppose unless amended** to eliminate any reduction in current property tax or transportation funding to cities and amended as follows: • Defined return-to-source funding formula at a city level. • Regional "fair share" housing assignment (RHNA process) is correlated to level of funding received (i.e., the less regional funding a city receives, the lower the regional housing assignment) (e.g., we do not want to be donor cities). **Support** for the following funding sources: • Statewide voter-approved sales tax or General Obligation bonds for affordable housing to pay for housing initiative.	AB 1487 (Chiu) – Changes to Housing Element Law (non-substantive) (intro: 2/22/19) AB 10 (Chiu) – Expands state's Low Income Tax Credit Program by $500 million per year, up from $94 million, for farmworker housing projects. (intro: 12/3/18) AB 11 (Chiu) – "Community Redevelopment Law of 2019" would authorize a city, county (or a combination) to form an affordable housing and infrastructure agency; use tax increment financing to fund affordable housing and infrastructure projects. (intro: 12/3/18) SB 5 (Beall/McGuire): • Authorizes cities to use ERAF funds for affordable housing or community improvement purposes; • Establishes the "Local-State Sustainable Investment Incentive Program" • Authorizes cities, JPAs, infrastructure financing districts, affordable housing authorities (etc) to apply for program funding (intro: 12/3/18) ACA 1 (Aguiar-Curry) - Local government financing for affordable housing and public infrastructure: • Creating additional exception to the 1% limit on the ad valorem tax rate on real property • Reduces the voter threshold to 55% for local bonds for affordable housing or public infrastructure (intro: 12/3/18)

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	RELATED LEGISLATION (information current as of 3/12/2019; subject to change)
10. Regional Housing Enterprise (RHE): Establishes a new independent regional housing agency – formed through state legislation - to implement the Compact. It would have the authority to collect and distribute revenue, issue debt, buy/lease/hold land, and track/report on local progress. No regulatory or enforcement powers. **Composition: independent board with representation from MTC, ABAG, and stakeholder groups that created the Compact.** **Objective:** ***Administers the Compact.***	CONCERN STATUS: **High.** The Contra Costa Working Group does not support creating an unrepresentative layer of oversight. CONCERNS • Creating an entity that is not comprised of elected officials does not allow it to be accountable to the voters or local needs, and appears to be structured to exclude local government input. • Creating a regional entity introduces another bureaucracy with its own unique set of requirements takes staff time away from facilitating housing production and committing it to report production (in addition to the ones filed with State HCD and Department of Finance). • Creates taxation without representation. • Existing agencies that could do the same functions, with additional funding, are not being considered instead of a new public agency.	**Oppose because it is not representative of each city and includes taxation without representation.**	SB 5 (Beall/McGuire) – Establishes the "Sustainable Investment Incentive Committee" to administer "Local-State Sustainable Investment Incentive Program"

HOUSING, COMMUNITY &ECONOMIC DEVELOPMENT
Legislative Agenda
January 17, 2019

1. SB 50 (Wiener) More HOMES Act (Housing, Opportunity, Mobility, and Stability)

Bill Summary:
SB 50 (Wiener) is a developer opt-in bill that would exempt specified housing projects from locally adopted parking requirements, density limits, height maximums limits less than 55 feet, and floor area ratio (FAR) maximums less than 3.25.

Bill Description:

Key Definitions

"Affordable" means available at affordable rent or affordable housing cost to, and occupied by, persons and families of extremely low, very low, low, or moderate incomes, as specified in context, and subject to a recorded affordability restriction for at least 55 years.

"High-quality bus corridor" means a corridor with fixed route bus service that meets all of the following criteria:

- It has average service intervals of no more than 15 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. and 7 p.m., inclusive, on Monday through Friday.
- It has average service intervals of no more than 20 minutes during the hours of 6 a.m. to 10 a.m., inclusive, on Monday through Friday.
- It has average intervals of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.

"Job-rich housing project" means a residential development within an area identified by the Department of Housing and Community Development and the Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs. A residential development shall be deemed to be within an area designated as job-rich if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the job-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the job-rich area.

"Transit-rich housing project" means a residential development the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within a one-half

mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

"Local government" means a city, including a charter city, a county, or a city and county.

"Major transit stop" means a site containing an existing rail transit station or a ferry terminal served by either bus or rail transit service.

"Residential development" means a project with at least two-thirds of the square footage of the development designated for residential use.

"Sensitive community" means an area identified by the Department of Housing and Community Development, in consultation with local community-based organizations in each region, as an area vulnerable to displacement pressures, based on indicators such as percentage of tenant households living at, or under, the poverty line relative to the region.

Specifically, SB 50 (Wiener) is a developer opt-in bill that would require a city, county, or city and county to grant an equitable communities incentive to eligible development proponents. In order to be eligible for an equitable communities incentive, a residential development shall meet all of the following criteria:

- The residential development is either a job-rich housing project or transit-rich housing project.
- The residential development is located on a site that, at the time of application, is zoned to allow housing as an underlying use in the zone, including, but not limited to, a residential, mixed-use, or commercial zone, as defined and allowed by the local government.
- The residential development must comply with a locally adopted inclusionary housing ordinance, if it requires more than 20% for low-income and 11% for very low-income households.
- States that it is the intent of the Legislature to require that any development of ____ or more residential units receiving an equitable communities incentive include housing affordable to low, very low or extremely low income households, which, for projects with low or very low income units, are no less than the number of onsite units affordable to low or very low income households that would be required pursuant to subdivision (f) of Section 65915 for a development receiving a density bonus of 35 percent (20% for low-income and 11% for very low-income households.)
- The site does not contain, or has not contained, either of the following:

    - Housing occupied by tenants within the seven years preceding the date of the application, including housing that has been demolished or that tenants have vacated prior to the application for a development permit.
    - A parcel or parcels on which an owner of residential real property has exercised his or her rights under the Ellis Act, Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 to withdraw accommodations from rent or lease within 15 years prior to the date that the development proponent submits an application.
- The residential development complies with all applicable labor, construction employment, and wage standards otherwise required by law and any other generally applicable requirement regarding the approval of a development project, including, but not limited to, the local government's conditional use or other discretionary permit approval process, the California Environmental Quality Act, or a streamlined approval process that includes labor protections.
- The residential development complies with all other relevant standards, requirements, and prohibitions imposed by the local government regarding architectural design, restrictions on or oversight of demolition, impact fees, and community benefits agreements.
- The equitable communities incentive shall not be used to undermine the economic feasibility of delivering low-income housing under the state density bonus program or a local implementation of the state density bonus program, or any locally adopted program that puts conditions on new development applications on the basis of receiving a zone change or general plan amendment in exchange for benefits such as increased affordable housing, local hire, or payment of prevailing wages.

A residential development that meets the criteria specified above shall receive, upon request, an equitable communities incentive as follows:

- "Job-rich housing project" shall receive the following:
    - A waiver from maximum controls on density.
    - A waiver from maximum automobile parking requirements greater than 0.5 automobile parking spots per unit.
    - Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.

- "Transit-rich housing project" shall receive the following:
  A residential development within one-quarter mile radius of a stop on a high-quality bus corridor:
    - A waiver from maximum controls on density.
    - A waiver from maximum automobile parking requirements greater than 0.5 automobile parking spots per unit.

- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.

A residential development that is located within a one-half mile radius, but outside a one-quarter mile radius, of a major transit stop and includes no less than ____ percent affordable housing units shall receive an additional incentive as follows:

- A waiver from maximum controls on density.
- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.
- A waiver from maximum height requirements less than 45 feet.
- A wavier from maximum FAR requirements less than 2.5.
- A waiver from maximum automobile parking requirement.

A residential development that is located within a one-quarter mile radius of a major transit stop and includes no less than ____ percent affordable housing units shall receive an additional incentive as followings:

- A waiver from maximum controls on density.
- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.
- A waiver from maximum height requirements less than 55 feet.
- A waiver from maximum FAR requirements less than 3.25.
- A waiver from any maximum automobile parking requirement.

Notwithstanding any other law, for purposes of calculating any additional incentive or concession in accordance with Section 65915, the number of units in the residential development after applying the equitable communities incentive received pursuant to this chapter shall be used as the base density for calculating the incentive or concession under that section (Density Bonus law).

An eligible applicant proposing a project that meets all of the requirements under Section 65913.4 (SB 35 streamlining) may submit an application for streamlined, ministerial approval in accordance with that section.

A local government may modify or expand the terms of an equitable communities incentive provided that the equitable communities incentive is consistent with, and meets the minimum standards specified in, this chapter.

It is the intent of the Legislature that, absent exceptional circumstances, actions taken by a local legislative body that increase residential density not undermine the equitable communities incentive program.

“Sensitive community” delayed implementation - It is the intent of the Legislature that implementation of SB 50 be delayed in sensitive communities until July 1, 2020.

It is further the intent of the Legislature to enact legislation that does all of the following:

- Between January 1, 2020, and ____, allows a local government, in lieu of the requirements of this chapter, to opt for a community-led planning process aimed toward increasing residential density and multifamily housing choices near transit stops.
- Encourages sensitive communities to opt for a community-led planning process at the neighborhood level to develop zoning and other policies that encourage multifamily housing development at a range of income levels to meet unmet needs, protect vulnerable residents from displacement, and address other locally identified priorities.
- Sets minimum performance standards for community plans, such as minimum overall residential development capacity and the minimum affordability standards set forth.
- Automatically applies the provisions of this chapter on January 1, 2025, to sensitive communities that do not have adopted community plans that meet the minimum standards whether those plans were adopted prior to or after enactment.

Fiscal Impact:
No direct fiscal impact to cities.

Existing League Policy:
Zoning
The League believes local zoning is a primary function of cities and is an essential component of home rule. The process of adoption, implementation and enforcement of zoning ordinances should be open and fair to the public and enhance the responsiveness of local decision-makers. State policy should leave local siting and use decisions to the city and not interfere with local prerogative beyond providing a constitutionally valid procedure for adopting local regulations. State agency siting of facilities, including campuses and office buildings, should be subject to local notice and

hearing requirements in order to meet concerns of the local community. The League opposes legislation that seeks to limit local authority over parking requirements.

Comments:
What is a "job-rich housing project?"
SB 50 fails to define "job-rich housing project." As currently drafted, HCD and OPR are tasked with making the determination. Without this definition it is impossible to determine the full scope of communities that may be impacted by this measure. Additionally, SB 50 waives maximum density controls and reduces parking to a maximum of .5 parking spots per unit, even though the community may not have access to public transit. This is inconsistent with the desire to add density near major transit stops.

What is a "sensitive community?"
Much like a "job-rich housing project", "sensitive community" is not defined. As drafted, HCD and OPR, in consultation with local community-based organizations from the region, are tasked with determining these communities. It should be noted that local governments are excluded from the consultation process.

When does CEQA apply?
SB 50 clearly states that residential projects seeking an equitable communities incentive shall comply with CEQA. However, it is unclear if CEQA will be conducted before or after the incentive is applied. It would be most appropriate to undergo the environmental review process after the incentive has been applied so that the entire project can be considered.

Can a city establish height limitations for "job-rich housing projects" or "transit-rich housing projects" within one-quarter mile of a stop on a high-quality bus corridor?
It is unclear if a city can establish height limitations in these areas. Eligible projects receive up to three incentives and concessions pursuant to Density Bonus law. One possible concession is an exemption from local height limitations. This will need to be clarified.

Mayors in support of SB 50?
It is important to note that several Mayor's are supporting SB 50. Below are their quotes from Senator Wiener's press release.

San Francisco Mayor London Breed:

"San Francisco, along with the entire Bay Area, needs to create more housing if we are going to address the out of control housing costs that are causing displacement and hurting the diversity of our communities. I have seen too many people I grew up with pushed out of San Francisco because we have not built enough housing, especially affordable housing, throughout our entire City. I look forward to working with Senator Wiener and others to make sure SB 50 creates more housing opportunities near transit, while maintaining strong renter protections and demolition restrictions so we are

focusing development on empty lots and underutilized commercial spaces. I want to thank Senator Wiener for his continued leadership in pushing for more housing throughout California."

Oakland Mayor Libby Shaaf:

"The Bay Area must address our shared housing crisis with bold solutions and this bill is an important step toward inclusive communities where everyone has access to stable housing. I appreciate that Sen. Weiner has included key elements of the CASA process – an 18-month effort by Bay Area government officials and stakeholders to create new regional housing strategies – and I am committed to working with the state legislature to implement these solutions."

Sacramento Mayor Darrell Steinberg:

"I strongly support the concepts outlined in SB 50 because cities throughout California are in the midst of a housing affordability crisis and we need tools that allow us to meet our housing demands. Recent state reports demonstrate cities are falling well short of the housing, climate and sustainable transit goals California committed to in SB 375, legislation I authored in 2008. Senator Weiner's legislation provides a vital tool for local governments to meet those goals."

Emeryville Mayor John Bauters:

"Every city in California has to do its part to solve the housing crisis, and I'm proud to stand with fellow housing champions in support of the More HOMES Act. In addition to the incredible burden on our workers, the housing crisis is now fueling the climate crisis by forcing people into long commutes. We should build much more housing near transit, and I'm excited to support this effort to do so."

Support-Opposition: (as of 12/4/18)

Support
San Francisco Mayor London Breed, Oakland Mayor Libby Schaaf, Sacramento Mayor Darrell Steinberg, Emeryville Mayor John Bauters, and El Cerrito Mayor Gabriel Quinto, Non-Profit Housing Association of Northern California (NPH), California Apartment Association,

Opposition:
City of Pasadena

Staff Recommendation:
Staff recommends the committee discuss SB 50 and determine a position.

Committee Recommendation:

Board Action:

Housing and Policy Framework Frequently Asked Questions

HOUSING PAPER AND POLICY FRAMEWORK
FREQUENTLY ASKED QUESTIONS

How is Affordable Housing Developed

1. What is a Housing Element, who approves it and when does it get updated?

   The Housing Element is one of nine mandated elements in a city's General Plan and implements the declaration of State law that "the availability of housing is a matter of vital statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order" (Gov. § Code 65580)

   Among other things, a Housing Element allows each community to take a local approach to identifying "how" and "where" their fair share of the region's housing needs should be accommodated. A community's Housing Element must be updated every eight years to demonstrate that an adequate amount of land (called "opportunity sites") is available to accommodate its fair share housing assignment.

   The current Housing Element planning period is from 2015 to 2023. During the next update to the Housing Element, each city will likely need to identify new "opportunity sites" to meet future housing assignments. This update could begin in 2021 or 2022, and will require review and approval by each city's elected council through a public hearing process that allows for community input.

2. What is a community's "fair share" housing assignment and how is it calculated?

   All California cities and counties are required to accommodate their "fair share" of its region's housing needs through a Regional Housing Need Allocation (RHNA) process. The "RHNA assignment" is comprised of four income categories: *very low*; *low*; *moderate*; and *above moderate*-income housing units.

   At the state level, based on population projections, the Department of Housing and Community Development (HCD) determines each region's share of the state's housing need. In turn, each region's council of governments (COG) allocates the regional share among its member cities and counties. The San Francisco Bay Area region's COG is the Association of Bay Area Governments (ABAG).

   Each city or county must demonstrate how they can accommodate their fair share RHNA assignment in its Housing Element. RHNA assignments are made approximately every eight years and are based on a formula that factors in the size of the community, its potential for housing and job growth, infrastructure and environmental constraints, and availability of public transit.

   The RHNA process is not new and has been in effect since the early 1980s.

3. What is the relationship between multi-family housing and "affordable/low income" housing? Will these sites be developed with low income housing?

   The RNHA process attempts to encourage development of housing at all income levels, with a focus on affordable housing. There is a presumed correlation between density (i.e. the number of housing units per acre) and affordability (i.e., housing built to higher densities is affordable to a greater segment of the population). However, it should be noted that RHNA process does not establish rental rates or sales prices. Ultimately, the type of housing built on these sites will depend on the housing market and local economy.

4. What is affordable or below market rate housing; and what are the definitions of *very low, low, moderate and above moderate* income*?*

   This is housing that is offered at a price lower than the market rate. This is usually possible because of government subsidies and other programs that help lower the price or rent of housing. Affordable housing is usually limited to individuals and families that fit into a specific income category (ranging anywhere from less than 30% of area median income to 120% of area median income).

   Below is an example of the maximum income limits that were used by all Contra Costa County cities in 2018 for a family of four to qualify to buy an affordable home: [

   - Very Low: 50% of Area Median Income (AMI) or $58,100
   - Low: 80% of AMI or $89,600
   - Moderate: 120% of AMI or $125,300
   - Above Moderate: Anything above 120% AMI

5. Does the State require cities and counties to produce housing units?

   Under current State law, a jurisdiction is *not* required to build these housing units. Rather, it is required to ensure that there are lands available (called "opportunity sites") that have the appropriate General Plan and Zoning designation to accommodate these housing units under market-driven conditions.

6. Where will this housing be located and does all affordable housing have to be higher density rental housing?

   Currently, the location of the housing is at the community's discretion, but some of the current and pending state laws aim to facilitate higher density housing near fixed rail stations (e.g. BART and ACE Stations), high frequency bus routes, or in "jobs rich" areas. The density of the housing can vary depending on its location and local land use policies. Affordable housing can be either for-sale or rental housing. It is the goal of local jurisdictions to meet state and regional mandates in a manner that is compatible with its community character.
7. What is the State doing about the housing shortage?

In 2017, as a response to the statewide housing shortfall, State legislators crafted 15 new housing bills known as the "2017 Housing Package." Collectively, the focus of these bills has been focused largely on holding local governments accountable (increased reporting and monitoring), reducing public process (permit streamlining), and identifying new funding sources. Despite the outright objection of many communities, the bills became law in late 2017.

8. How do State housing laws affect cities?

   Cities are required by State law to ensure that sufficient lands are available to accommodate their "fair share" of housing units. This means that there must be a sufficient amount of land that is designated for all housing types.

   As a part of the required Housing Element update, cities must determine whether enough land is available to accommodate its RHNA assignment. If not, then the city is required to designate new "opportunity sites" for this purpose – usually through amending the General Plan and Zoning designation to allow for multifamily housing development.

   Under current state law, cities are not required to build housing units. Housing construction is still driven by the private market. Instead, a city's obligation is to allow these units to be built (through General Plan and Zoning designations). Generally, new housing projects are still required to go through local land use entitlement review and public hearings. New legislation, in some cases, proposes to streamline this review process.

9. What happens if a city doesn't comply with State housing laws?

   Non-compliance could have a number of immediate impacts. First, any RHNA assignment that is not accommodated in one housing cycle will likely be rolled over to the next, increasing the amount of units, and potential land a city is required to designate for multi-family housing during the next cycle. Second, a city would become vulnerable to lawsuits for non-compliance. Third, a city would risk loss of significant transportation funding and become ineligible for a number of state and federal grants.

   If sued for non-compliance, a city's ability to regulate and influence the design and planning of future multifamily housing proposals could be compromised, further diminishing local decision making over what gets built in the future.

10. What is CASA and the CASA Compact?

    In July 2017, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) convened the *Committee to House the Bay Area*, also known as CASA. CASA was charged with developing a "bold plan" to tackle the Bay Area's housing challenges.

In December 2018, CASA released the "*CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area*." The CASA Compact ("Compact") is a wide-ranging 10-point plan that sets out to achieve three overarching goals for the Bay Area:

- *Produce* 35,000 housing units per year
- *Preserve* 30,000 affordable units
- *Protect* 300,000 lower-income households

The Compact is comprised of 10 "elements" intended as a package of actions to be implemented in its entirety. These elements include tenant protections, housing production mandates, diversion of local community funds and new taxes, as well as the creation of a new regional authority to implement these ideas.

Representatives on CASA include major employers (Google, Facebook, Genentech), for-profit and non-profit housing developers, housing advocates, charitable foundations and elected officials from large cities and counties.

Details about the CASA Compact can be found at MTC's website: https://mtc.ca.gov/our-work/plans-projects/casa-committee-house-bay-area/about

11. How or why was CASA created and will it become State law?

CASA was created as a response to the statewide housing concerns, described in a report published in 2017 by the State of California titled, "*California's Housing Future: Challenges and Opportunities*." However, much of the CASA analysis and recommendations are focused on the San Francisco Bay Area.

CASA is not an actual legislative bill. However, it is recommended to be used as the framework for another round of state legislation in 2019, aimed at further expanding housing mandates at the expense of local government control.

12. What are the Contra Costa Cities doing to influence pending state legislation?

With over 100 housing bills likely to be introduced by State legislators in 2019, the Contra Costa Cities are working together on a proactive and nuanced approach to advocacy and engagement. In addition to educating the public and stakeholders on these issues, the Contra Costa Cities' goals are to influence the legislative process and create a shared Contra Costa position on key topics. The Contra Costa Cities have prepared a "Housing Paper and Policy Framework" which will guide our efforts. While this approach provides common areas of concern, each city continues to pursue their own individual areas of concern that are unique to their needs.

RESOLUTION NO. _____

RESOLUTION OF THE [_____] CITY/TOWN COUNCIL SUPPORTING THE CONTRA COSTA COUNTY JURISDICTIONS'' HOUSING AND POLICY FRAMEWORK ON HOUSING MATTERS

WHEREAS, the Contra Costa County Jurisdictions' recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

WHEREAS, in January of 2017, the State of California published a report titled "California's Housing Future: Opportunities and Challenges," which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide "housing crisis"; and

WHEREAS, in September of 2017, California Governor Jerry Brown signed into law the "Housing Package" consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

WHEREAS, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

WHEREAS, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

WHEREAS, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

WHEREAS, the State's focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local Jurisdictions'; and

WHEREAS, the Contra Costa County Jurisdictions' recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

DRAFT

WHEREAS, there is a unique opportunity for the Contra Costa County Jurisdictions' to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control of decision making; and

WHEREAS, the Contra Costa County Jurisdictions' affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

WHEREAS, the Contra Costa County Jurisdictions' Housing and Policy Framework provides a comprehensive approach, reflecting the following Key Themes:

- Balanced Solutions – Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

WHEREAS, the Key Themes are topic areas where there is consensus among the Contra Costa County and its respective cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

WHEREAS, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

WHEREAS, on XXXXXXXXX 2019, the Contra Costa County Mayors and Councilmembers met to discuss the Contra Costa County Jurisdictions' Housing and Policy Framework; and

WHEREAS, the _____ City/Town Council met on _____, 2019 to consider and discuss the Contra Costa County Jurisdictions' Housing and Policy Framework;

NOW, THEREFORE BE IT RESOLVED THAT THE _____ CITY/TOWN COUNCIL DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

Section 1. The Contra Costa County Jurisdictions' Housing and Policy Framework is hereby supported on matters related to housing legislation.

Section 2. The Contra Costa County Jurisdictions' may from time-to-time revisit the Contra Costa County Jurisdictions' Housing and Policy Framework to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

PASSED, APPROVED AND ADOPTED by the _____ City [Town] Council on March ___, 2019.

I, _____, City [Town] Clerk of the City [Town] of _____, California, certify that the foregoing resolution was adopted by the City [Town] Council at a regular meeting held on the ____ day of March 2019, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
City/Town Clerk

APPROVED AS TO FORM:

_____
City/Town Attorney

SB 50/SB 4 compromise summary

SB 50 will be amended to do all of the below. SB 4 will be held in committee.

Statewide provisions:

- Sensitive communities agreement with housing advocates:
  - Include at a minimum those areas: designated high segregation and poverty and low-resource in TCAC opportunity maps; top 25% Cal EnviroScreen scores; 2019 HUD qualified census tracts; potentially others
  - COGs run process to identify sensitive communities with minimum requirements for outreach to disadvantaged populations
  - Opt in before July 1, 2025 to planning process based on petition with 20% population in census tract signing and specified outreach requirements
- Changes to ensure offsite affordable housing is actually built: no certificate of occupancy on market rate without building permit, and has to be near transit and within half mile of original project site.
- Technical amendments to clarify how density bonus works.
- Commitment to include inclusionary percentages that are worked out with housing advocates and agreeable to SGF committee.
- Creation of fourplexes by right (regardless of jurisdiction population) in residential areas on vacant land and allows conversions of existing structure—but no demolition, as follows:
  - 75% of exterior walls must be intact and no more than +15% increase square footage. Also has to abide by all other local regulations (setbacks, lot coverage, FAR, height, etc).
  - Must include SB 35 limitations on eligible parcels.
- Exempt very high fire hazard severity zones.
- Exempt coastal zone in cities with populations less than 50,000.
- Restrict bill to infill parcels in coastal zone regardless of jurisdiction size.

In counties over 600,000 population:

- SB 50 zoning provisions regarding rail, ferry, job rich, and bus stop (as modified below):
  - Exempt contributing parcels in legislatively-adopted historic districts in existence as of 2010, and density bonus language going forward
  - Bus stops: Shorten headways to 10 minutes during peak times to qualify. Clarify that it's each line going in each direction. Must have met the headway standard for the past 5 years.
- SB 50 parking (no parking around rail, 0.5 spaces per unit minimum elsewhere)

In counties 600,000 population or less, modify equitable communities incentive to:

- Grant waiver from density (with minimum of 30 units/acre in urban jurisdictions and 20/units acre in suburban jurisdictions, as defined in existing law), height limits of zoning on the parcel plus one story, and floor area ratio of 0.6 times the # of stories for projects within half-mile around rail/ferry in cities over 50,000
- Continue to work with Senate EQ on identifying a definition of "infill" that doesn't induce sprawl.
- Exempt floodplains per SB4
- SB 4 parking applies: no parking minimum within ¼ mile of rail in cities over 100,000, 0.5 spaces per unit minimum elsewhere

Town of Danville and
Tri-Valley Cities Policy
Positions on the

CASA Compact & State Housing Legislation

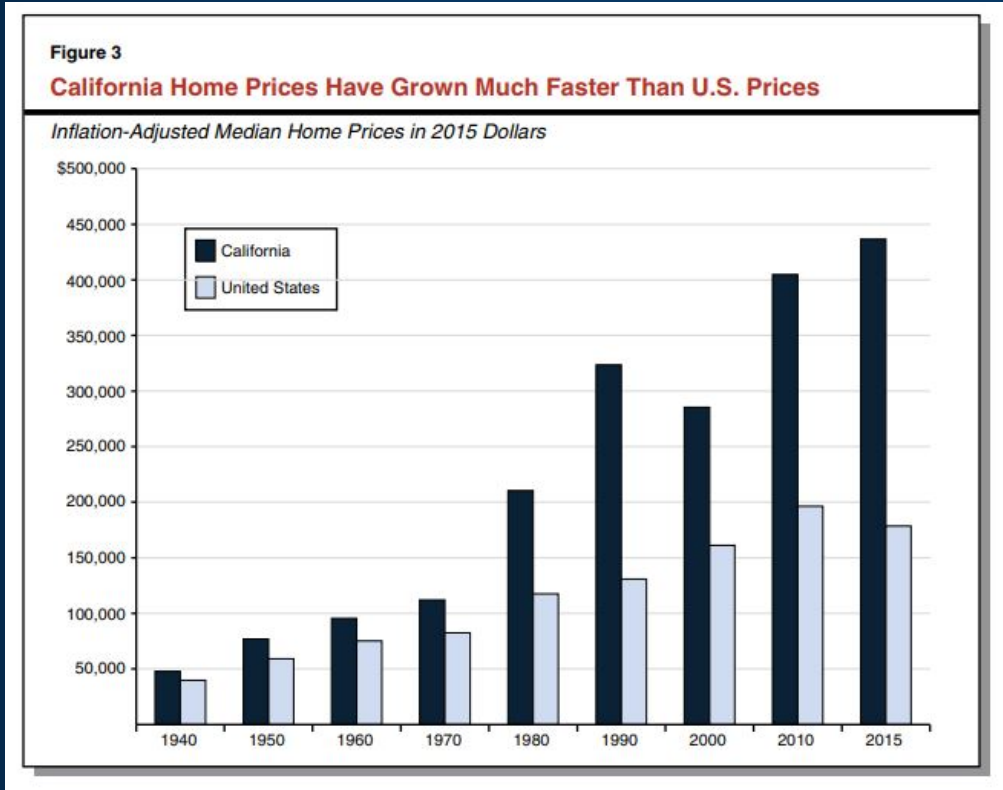
Presented to
Danville Town Council
March 18, 2019

Presentation Overview

- Historic Housing Trends
- CASA Compact & State Legislation
- Housing Myths and Realities
- Policy Positions
  - Town of Danville
  - Tri-Valley Cities

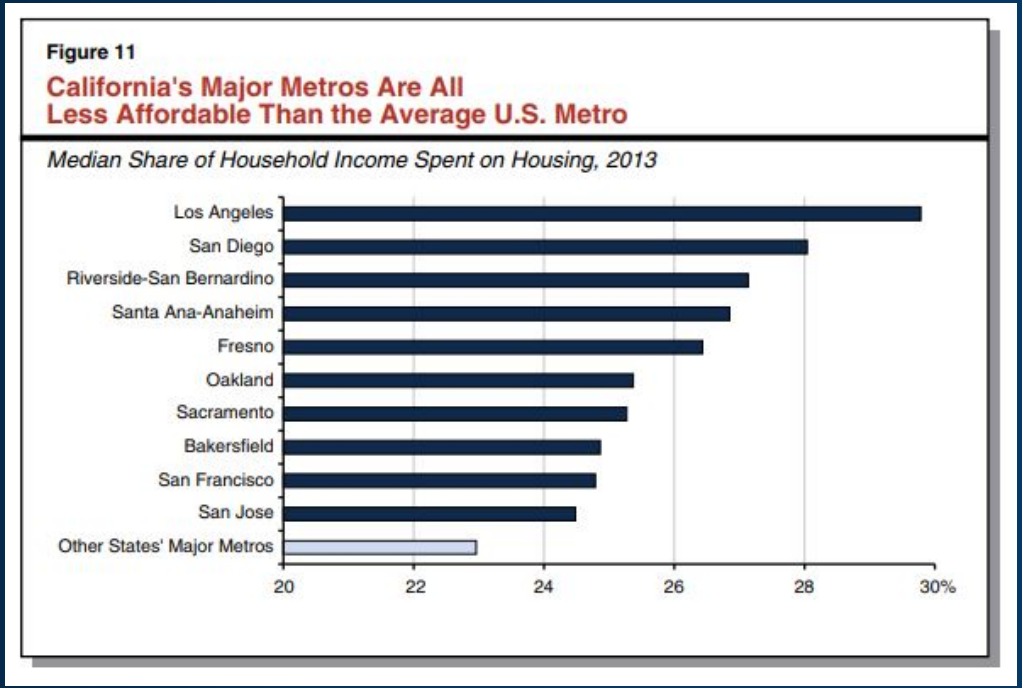
California Housing Trends

From State LAO Report: *California's High Housing Costs*, March 17, 2015



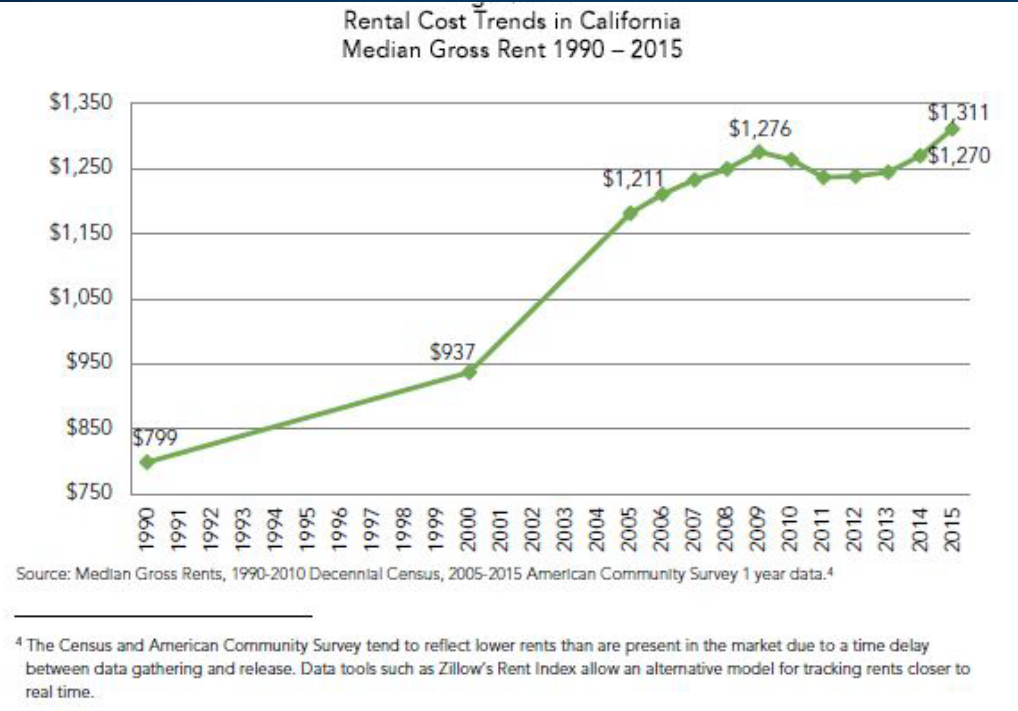
California Housing Trends

From State LAO Report: *California's High Housing Costs*, March 17, 2015



California Housing Trends

From State HCD Report: *California's Housing Future: Challenges and Opportunities*, February 2018



State & Regional Responses

- **2017: State "Housing Package"**
  (15 new state housing laws)
- **2017: *Committee to House the Bay Area,* or CASA**
  Formed jointly by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG)

More information:
https://mtc.ca.gov/our-work/plans-projects/casa-committee-house-bay-area

CASA Membership

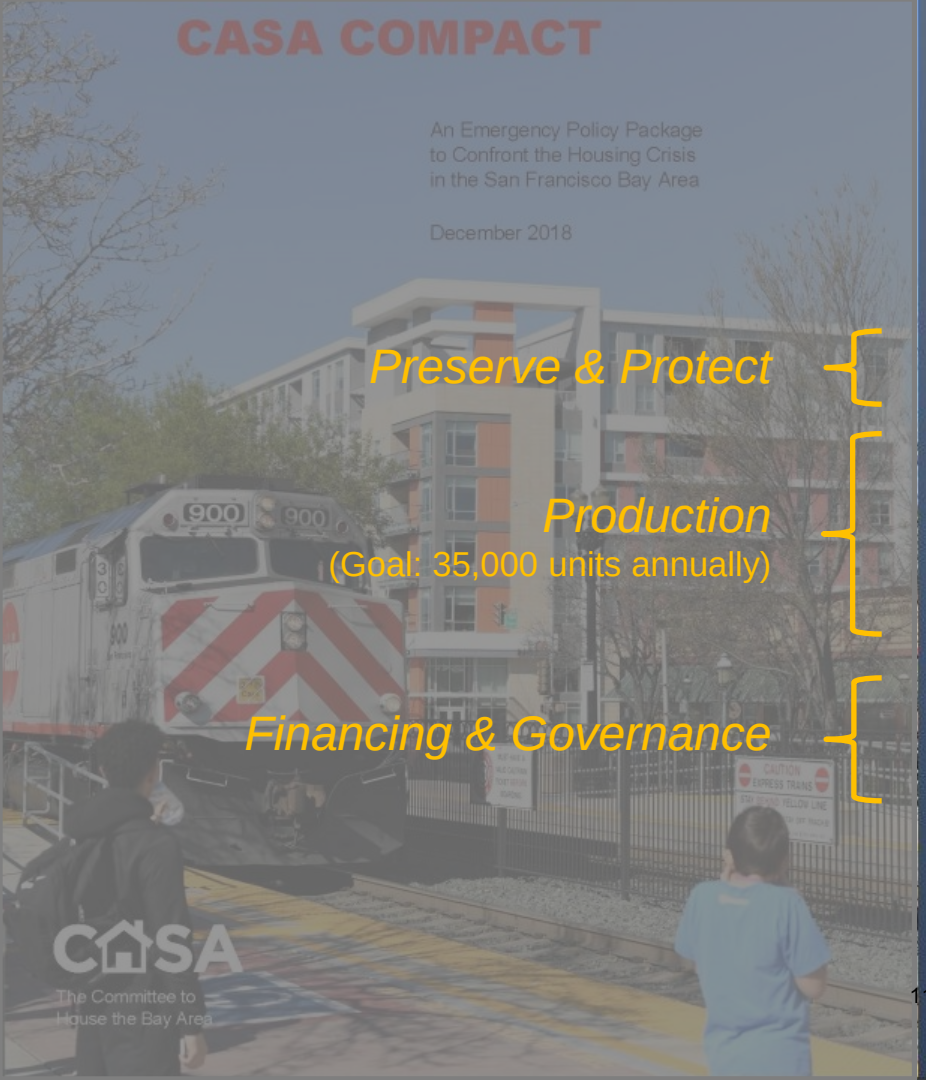
Representatives from big cities, for-profit and non-profit housing developers, housing advocates, charitable foundations, and major employers (including Google and Facebook).

Absent: small cities and general public.

CASA Compact Premise

Bay Area is facing a housing crisis because we have failed to

- **Produce** enough new housing
- **Preserve** existing affordable housing stock
- **Protect** lower-income households



Preserve & Protect

Production
(Goal: 35,000 units annually)

Financing & Governance

CASA

Components of Compact

- Elements 1, 2 & 3: Protection
- Element 4: Remove Barriers to ADUs
- Elements 5, 6 & 7: Production Initiatives
- Element 8: Surplus Public Land
- Element 9: Potential Funding Sources
- Element 10: Regional Housing Enterprise

ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Myth #1

WE JUST NEED TO BUILD MORE HOUSING (everywhere)

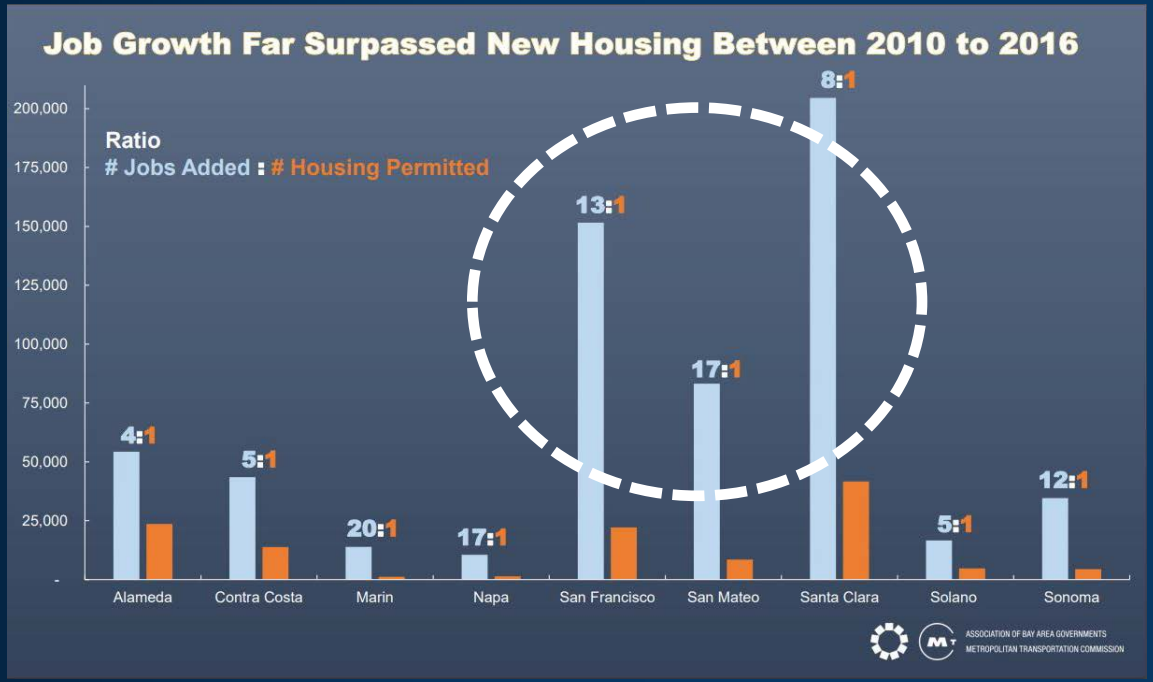
REALITY

- We need to build housing **in the right places**, where the jobs are.
- Doing otherwise would only **exacerbate traffic congestion**.
- Ignores local markets with saturated housing supply need **more jobs instead**.

Getty Images

Where we need more housing

are locations where the most jobs were created (San Francisco, San Mateo, and Santa Clara).



Myth #2

IF WE ZONE IT, THEY WILL COME

is the working theory behind mandating taller buildings near transit, permit streamlining and waving requirements.

REALITY

- Up-zoning **drives up land values**, increasing project costs and reducing affordability.
- Some markets are **saturated with housing** and are not conducive to absorbing more.

Getty Images

Myth #3

CITY FEES DRIVE HOUSING COSTS

is the basis for reducing or capping development impact fees and offering development incentives.

REALITY

- Major **market forces** – land costs, construction costs, lending requirements - dictate project feasibility.
- Fees are to **off-set impacts** of new development.

Getty Images

Myth #4

WE CAN LEGISLATE AFFORDABILITY

through rent controls and "just-cause" eviction requirements.

REALITY

Rent control policies can be counter-productive, leading to:

- **Reduction of available supply** as renters continue to live in units to preserve rent cap, regardless of suitability.
- **Lack of re-investment** or deterioration in rental units.

Getty Images

Emerging State Legislation

Housing bills introduced in the 2019-2020 legislative cycle directly or loosely correlated to CASA.

CASA Compact Ideas	*Emerging State Legislation*
Tenant protections including rent caps, "just cause" tenant eviction standards, and free rental relocation assistance (at the expense of the property owner).	AB 1481 (Bonta) [spot bill] AB 1482 (Chiu) [spot bill] AB 36 (Bloom) [spot bill] SB 18 (Skinner) [spot bill]
Housing production requirements including permit streamlining of housing developments, "minimum zoning" requirements (such as minimum height standards) near transit lines, financial incentives for developers, and use of public lands for affordable housing.	AB 68 (Ting) AB 69 (Ting) SB 50 (Wiener) AB 1483 (Grayson) AB 1484 (Grayson) SB 330 (Skinner) AB 1485 (Wicks/Quirk) AB 1706 (Quirk) [spot bill] SB 6 (Beall/McGuire) [spot bill] AB 1486 (Ting)
New and diverted community taxes to fund the action plan.	AB 1487 (Chiu) AB 10 (Chiu) AB 11 (Chiu) SB 5 (Beall/McGuire) ACA 1 (Aguiar-Curry)
New regional housing agency to implement the plan, collect taxes and issue debt.	SB 5 (Beall/McGuire)

Danville & Tri-Valley Policy Positions

- Advocate a **balanced approach** (jobs, housing, transportation)
- Preserve **local decision-making** ability
- Engage with other cities and state legislators to **influence legislation**
- Undertake **community outreach** to inform the public

CITY COUNCIL REPORT

7F

DATE: **MAY 7, 2019**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **ANDREA MILLER, FINANCE DIRECTOR**

SUBJECT: **REVIEW AND APPROVE UPDATED FISCAL POLICIES**

RECOMMENDATION

It is recommended that the City Council review and approve the following fiscal policies:

1. City of Pinole Financial Policies
2. City of Pinole Investment Policy
3. City of Pinole Grants Management Policy and Procedures
4. City of Pinole Capital Assets Policy and Procedures
5. City of Pinole Unclaimed Funds/Outstanding Checks Policy and Procedures

BACKGROUND

The National Advisory Council on State and Local Budgeting (NACSLB) and the Government Finance Officers Association (GFOA) recommend that local governments adopt and annually review financial policies to help frame resource allocation decisions as a part of a comprehensive set of recommended budget practices.

Financial policies are an essential element in sound fiscal administration. Financial policies provide guidance to staff and set the standard for stewardship over financial resources and practices.

REVIEW AND ANALYSIS

Staff should develop and annually review financial policies to ensure their continued relevance and to identify any gaps that need to be addressed.

As part of this annual review process, staff submitted the below policies to the Finance Subcommittee on May 1, 2019 for review and discussion. The feedback

received from the Finance Subcommittee has been incorporated into the attached policies and they are hereby submitted to the City Council for review and approval.

The following Financial Policies are established to ensure that the City's finances are managed in a sound and prudent manner which will (1) continue to provide for the delivery of quality services; (2) maintain and enhance service delivery as the community grows in accordance with the General Plan; (3) strive for a balanced budget annually, assuring that the City is living within our means; and (4) establish reserves necessary to meet known and unknown future obligations.

To achieve these goals the following Financial Policies are presented:

1. Structurally Balanced Budget Policy (No change);
    i. The annual budget will be structurally balanced whereby the operating budget will be prepared with current year expenditures funded with current year revenue. If a structural imbalance occurs, a plan will be developed and implemented to bring the budget back into structural balance.

2. Reserves Policy (No change);
    i. The City will establish, dedicate and maintain reserves annually to meet known and estimated future obligations. The City will establish specific reserve accounts which include but are not limited to:
        a. General Fund Reserves for Economic Uncertainties equivalent to a minimum 10 percent or 180 days cash on hand of General Fund recurring expenditures;
        b. Reserves for depreciation and replacement of vehicles and major equipment;
        c. Reserves for maintenance, replacement, and renovations of facilities, parks, landscape maintenance and infrastructure.

3. Revenue Policy – One Time Resources (No change);
    i. The City will strive to maintain a diversified and stable revenue base that is not overly dependent on any land use, major taxpayer, revenue type, restricted revenue, inelastic revenue, or external revenue. The General Fund Budget will be structurally in balance without relying on one-time resources such as proceeds from asset sales, debt refinancing, one-time grants, revenue spikes, budget savings and similar non-recurring revenue. Appropriate uses of one-time resources include establishing and rebuilding the General Fund Reserve, other City established reserves, or early retirement of debt, capital expenditures, reducing unfunded pension liabilities (PERS and OPEB), and other non-recurring expenditures.

4. Revenue Policy – User Fees and Charges (Updated);
    i. The City of Pinole is empowered to recapture, through fees, up to the full cost of providing specific services. Regular and consistent review of all fees is necessary to ensure that the costs associated with delivery of individual services have been appropriately identified, and that the City is fully recovering those costs. It is the City's policy to set user fees at full cost recovery levels, except where a greater community benefit is demonstrated to the satisfaction of the City Council, or when it is not cost effective to do so. The City will recover the costs of new facilities and infrastructure necessitated ~~by the~~ through development impact fees consistent with state law.

5. Expenditure and Budget Policy (No change);
    i. The City will deliver service in the most efficient and cost-effective manner. This includes utilizing the services of volunteers in areas where economically viable. The budget will state the objectives of the operating programs, and identify the resources being provided to accomplish the specified objectives.

6. Debt Policy (No change);
    i. The City will limit the use of debt so as not to place a burden on the fiscal resources of the City and its taxpayers. Long-term borrowing will be limited to capital improvements or projects that cannot be financed from current revenues. When capital projects are financed, the City will amortize the debt within a period not to exceed the expected useful life of the project. The City will limit the total debt ratio (debt guaranteed by the General Fund) to 10% or as required by bond coverage ratios. The debt ratio is calculated by the relationship between the debt and the General Fund revenue.

7. Investment Policy (No change).
    i. The purpose of this Policy is to define the parameters within which funds are to be managed. In methods, procedures, and practices, the policy formalizes the framework for the City of Pinole's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds.

8. Grants Management Policy (No change);
    i. City departments actively pursue federal, state and other grant opportunities when deemed appropriate. Grant funding allows the City to leverage local public funds by extending and enhancing the services it offers to the community, and to introduce new initiatives.

9. Capital Assets Policy (No change); and
    i. Purchased and donated assets meeting the City's capitalization definition and threshold will be classified and recorded in the City's financial records as capital assets. The value of the asset must meet the City's capitalization threshold of $5,000 to be recorded as a capital asset.

10. Unclaimed Funds/Outstanding Checks Policy (No change).
    i. The City of Pinole will account for unclaimed funds in a manner which follows Government Code Sections 50050 through 50056. Funds that remain unclaimed for at least three (3) years will become the property of the City of Pinole after the procedures identified herein have been followed.

FISCAL IMPACT

There is no fiscal impact in reviewing and adopting City of Pinole Financial Policies.

ATTACHMENTS

A – City of Pinole Financial Policies

B – City of Pinole Investment Policy

C – City of Pinole Grants Management Policy and Procedures

D – City of Pinole Capital Assets Policy and Procedures

E – City of Pinole Unclaimed Funds/Outstanding Checks Policy and Procedures

F – Resolution Adopting City of Pinole Fiscal Policies

City of Pinole
Financial Policies

I. Structurally Balanced Budget

A. Policy:

The annual budget will be structurally balanced whereby the operating budget will be prepared with current year expenditures funded with current year revenue. If a structural imbalance occurs, a plan will be developed and implemented to bring the budget back into structural balance.

B. Purpose

To avoid using one-time resources to balance the annual budgets.

C. Definitions and Details

1. This policy applies to all Operating Department Budgets.
2. A structural imbalance occurs when recurring expenditures exceed recurring revenues.
3. Under this policy, the structural imbalance will be calculated at the time the Proposed and Adopted Budgets are submitted.
4. If it is necessary to use one-time resources to balance the budget, a plan for achieving a structural balance will be developed simultaneously that identifies revenue enhancements or expenditure decreases to bring the budget back into balance.
5. A plan to bring the Budget into balance will be developed no later than 30 days after the imbalance is identified.
6. Internal service funds are intended to operate on a break-even basis. They should neither make an excess net profit nor a loss and in no case should they create a negative fund balance. Spending plans should be available that take into account for the use of, or build up of, fund balance.
7. The identification of recurring and non-recurring revenues is a two-step process. The first step involves dividing general fund revenue into recurring and nonrecurring categories. The second step involves examining the recurring revenue category to identify unusual revenue increases or decreases that are, in fact, unlikely to recur.
    a. Step one involves the categorization of revenues. Recurring revenues are funds that the City can reasonably expect to continue over the next 5 to 10 years without a sunset provision or outside intervention. Recurring revenues include but may not limited to property taxes, sales and use taxes, utility user taxes, franchise tax, business licenses, transient occupancy taxes, other taxes, fines and forfeitures, interest on investments, use of money and property, motor vehicle in-lieu, city interfund transfers, licenses and permits, resources from other

governmental agencies, charges to other city funds, and other reimbursements and charges for services. Non-recurring revenues are monies that will end at a certain date or that the city cannot reasonably expect to receive over the next 10 to 15 years. Non-recurring revenues include but may not be limited to surpluses, grant funds, financing proceeds, sale of property and equipment and other reimbursements.

b. The second step in the process involves an identification of unusual revenue increases, commonly referred to as revenue spikes. Recurring revenues will show mild fluctuations depending on the economy and other factors. Typical revenue may fluctuate within a range such as one to five percent. This type of fluctuation is distinguished from a revenue spike that shows unusually large increases for one or two years (over five percent). The dotcom boom and the energy crisis created such revenue spikes. The increased revenues (above the normal fluctuation) will be considered onetime revenues.

8. The identification of recurring and non-recurring expenditures is also a two-step process. As a first step, expenditures are divided into the recurring and nonrecurring categories. The second step involves identifying non-recurring expenditures that occur in recurring expenditure categories.
    a. Step one involves the categorization of expenditures. A recurring expenditure is an ongoing cost that becomes part of the base budget. It is usually associated with a service or product that, if eliminated, may inhibit the City's ability to continue providing the service. Examples of recurring expenditures are salaries, benefits, utilities, debt service, maintenance, normal capital outlays and other mandated costs. Non-recurring expenditures are costs that are incurred for one-time activities, or services that are scheduled to "sunset". Typical non-recurring expenditures include grant programs, one-time capital expenditures and large equipment purchases in accordance with the City's fixed asset capitalization policy.
    b. A second step in computing non-recurring expenditures is to identify all one-time expenditures that are budgeted in what are normally considered recurring expenditure categories. For example, a major consulting contract to update the general plan may be carried in the Materials, Supplies and Services category. Other examples include housing studies, recreational needs assessments, general plan studies, capital outlays in excess of normal requirements and professional contracts.

II. Reserves Policy

A. Policy

The City will establish, dedicate and maintain reserves annually to meet known and estimated future obligations. The City will establish specific reserve accounts which include but are not limited to:

- General Fund Reserves for Economic Uncertainties equivalent to a minimum 10 percent or 180 days cash on hand of General Fund recurring expenditures;
- Reserves for depreciation and replacement of vehicles and major equipment;
- Reserves for maintenance, replacement, and renovations of facilities, parks, landscape maintenance and infrastructure.

If these reserves are used, a plan will be developed and implemented to replenish the funds used.

B. Purpose

Once the General Fund Budget is structurally balanced, reserves will be set-aside in separate accounts to address emergencies and extraordinary events.

C. Definitions and Details

I. The General Fund Reserves is to provide funding to deal with unexpected events and fluctuations in fiscal cycles, which provides time to avoid structural impacts and ensure continuance of critical City activities.

a. The General Fund Reserve is not a contingency fund. It is a reserve for events such as:
   i. Unexpected unfunded mandates or State take-aways.
   ii. Continuing a program until the end of the fiscal year when grant funding is unexpectedly eliminated during the fiscal year.
   iii. Extraordinary public safety requirements that was unanticipated and immediate.
   iv. Continuing critical city services due to unanticipated events.
   v. To offset the loss of a funding source or spike in expense for the remainder of the year.

b. The General Fund Reserve is computed each year by taking ten percent of the proposed General Fund recurring operating expenditures. Once this figure is determined, it will establish the level of the Reserve for the fiscal year.
   i. In an effort to gradually build up the General Fund Reserve to the desired goal of $5.5 million representing 10 percent or 180 days cash on hand of General Fund recurring expenditures,

$200,000 of discretionary Measure S 2014 revenue will be dedicated each year to the reserve beginning in FY 2016-17.

ii. This allocation will continue until the General Fund Reserve equals 10 percent or 180 days cash on hand of General Fund recurring expenditures, or $5.5 million, whichever is greater.

c. Any usage of the General Fund Reserve must have prior approval of the City Council.

III. Revenue Policy – One-Time Resources

A. Policy

The City will strive to maintain a diversified and stable revenue base that is not overly dependent on any land use, major taxpayer, revenue type, restricted revenue, inelastic revenue, or external revenue. The General Fund Budget will be structurally in balance without relying on one-time resources such as proceeds from asset sales, debt refinancing, one-time grants, revenue spikes, budget savings and similar non-recurring revenue. Appropriate uses of one-time resources include establishing and rebuilding the General Fund Reserve, other City established reserves, or early retirement of debt, capital expenditures, reducing unfunded pension liabilities (PERS and OPEB), and other non-recurring expenditures.

B. Purpose

To insure that the City maintains a structurally balanced budget and does not use onetime resources to increase the base budget that cannot be sustained by ongoing resources.

C. Definitions and Details

1. One-time resources are resources that the City cannot reasonably expect to receive on an ongoing basis. The source is most likely one-time if any of the following apply:
    a. Will not be available the next fiscal year.
    b. Has a set ending date such as 12-18 months from today (except Utility Users Tax).
    c. Results from a one-time revenue spike.
    d. Results from temporary expenditure savings.

2. One-time resources include bond or debt proceeds, bond-refinancing proceeds, money from the sale of assets, one-time grant funds, budget surpluses, and fund balance.

IV. Revenue Policy – User Fees and Charges

A. Policy

The City of Pinole is empowered to recapture, through fees, up to the full cost of providing specific services. Regular and consistent review of all fees is necessary to ensure that the costs associated with delivery of individual services have been appropriately identified, and that the City is fully recovering those costs. It is the City's policy to set user fees at full cost recovery levels, except where a greater community benefit is demonstrated to the satisfaction of the City Council, or when it is not cost effective to do so. The City will recover costs of new facilities and infrastructure necessitated ~~by the~~ through development impact fees consistent with state law.

B. Purpose

To determine the full costs of providing specific services so that the City Council can make informed decisions as to the appropriate levels of fees for services that may be imposed to avoid providing unwanted subsidies. The City Council may decide against full cost recovery in cases where greater community benefit is demonstrated.

C. Definitions and Details

1. Every service supported by user fees or charges will be analyzed bi-annually, or as required by statute or directed by City Council to determine the net cost of providing the service.
2. Net cost will be determined by identifying all revenues generated or attributed to the service and subtracting all cost elements (direct and indirect expenses, capital outlays and other one-time expenses). The resulting figure will be the level of subsidy, which the City Council will use as a basis for determining user fee increases or decreases.
3. If it is determined that there is a net cost to providing the service, the City Council will raise user fees to achieve full cost recovery, unless it is decided that the subsidy should be maintained.
4. Additional information may be necessary to aid in the decision as to whether or not a service should be subsidized (community benefit, cost-effectiveness, etc.)

V. Expenditure and Budget Policy

A. Policy

The City will deliver service in the most efficient and cost-effective manner. This includes utilizing the services of volunteers in areas where economically viable. The budget will state the objectives of the operating programs, and identify the resources being provided to accomplish the specified objectives.

B. Purpose

To provide guidance to staff in developing spending plans that address the City's priorities and policy objectives while ensuring positive benefit to the City.

C. Definitions and Details

1. Department expenditures are limited to:
    i. Budgeted expenditures approved by the City Council as appropriated by major category:
        a. Salary and Benefits;
        b. Services and Supplies: Travel and Training, Office Expenses, Repairs and Maintenance, Materials, Professional Services, etc.; and Capital Outlay.
2. The operating budget will be prepared to fund current year expenditures with current year revenue. However, surplus fund balances may be used to increase reserves, fund Capital Improvement Projects, reduce unfunded pension liability (PERS and OPEB), or carried forward to fund future years' operating budgets when necessary to stabilize services and fund capital outlay.
3. Budget transfers require the approval of the City Manager or designee except those affecting personnel and capital outlay which must be approved by the City Council.
4. Budget transfers required to hire additional permanent personnel require the City Council's approval.
5. The City will periodically update replacement and maintenance financing plans, and incorporate them into the Budget.
6. The City will monitor and review methods of operation to ensure that services continue to be delivered in the most cost-effective manner possible. This review process encompasses a wide range of productivity issues, including:
    i. Analyzing systems and procedures to ensure efficient delivery of services.
    ii. Evaluating the ability of new technologies and related capital investments to improve productivity.
    iii. Developing the skills and abilities of all City employees.
    iv. Developing and implementing appropriate methods of recognizing and rewarding exceptional employee performance.

v. Evaluating the ability of the private sector to perform the same level of service at a lower cost.

VI. Debt Issuance

A. Policy

The City will limit the use of debt so as not to place a burden on the fiscal resources of the City and its taxpayers. Long-term borrowing will be limited to capital improvements or projects that cannot be financed from current revenues. When capital projects are financed, the City will amortize the debt within a period not to exceed the expected useful life of the project. The City will limit the total debt ratio (debt guaranteed by the General Fund) to 10% or as required by bond coverage ratios. The debt ratio is calculated by the relationship between the debt and the General Fund revenue.

B. Purpose

To maintain fiscal viability by not encumbering the General Fund with excessive debt payments or using debt to support operating expenses.

C. Definitions and Details

1. For purposes of computing the percentage of debt payments the proposed budget expenditures will be used.
2. The ratio of debt payments to operating expenditures will be presented in the annual budget.
3. The City will investigate the use of special assessment, revenue or other self-supporting bonds to limit the General Fund obligation for debt service payments.
4. The City will not use long-term debt for current operations.
5. The City will not use short-term borrowing to support routine operations, provided however, that it may be used to meet temporary cash flow needs.
6. The City will maintain strong communications with bond rating agencies about the City's financial condition and will follow a policy of full disclosure on financial reports and bond prospectus.
7. The City will strive to maintain or improve the City's bond rating.
8. The City will utilize inter-fund loans when possible to reduce the cost of financing capital improvements.
9. The City is required to enter into an agreement for inter-fund loans beyond the current fiscal year.

City of Pinole
INVESTMENT POLICY

I. Introduction

The purpose of this Policy is to define the parameters within which funds are to be managed. In methods, procedures, and practices, the policy formalizes the framework for the City of Pinole's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the City's funds.

II. Governing Authority

The investment program of the City of Pinole ("the City") shall be operated in conformance with federal, state, and other legal requirements. All funds will be invested in accordance with the City's Investment Policy, and California Government Code Sections 5360l, 5360l.l, 5360l.5, 5360l.6, 53635, 53646, 53635.5, and l648l.2.

III. Scope

It is intended that this policy cover all funds (except retirement funds) and investment activities under the direction of the City. The investment of bond proceeds will be in accordance with the provisions of relevant bond documents.

IV. Objectives

The primary objectives, in priority order, of the investment activities of the City shall be:

1. *Safety*
   Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

2. *Liquidity*
   The investment portfolio of the City will remain sufficiently liquid to enable the City to meet its cash flow requirements.

3. *Return*
   The investment portfolio of the City shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

V. Standards of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development.

The "prudent person" standard states that,

> "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

3. Delegation of Authority

The management responsibility for the investment program is hereby delegated to the City Treasurer or designee who shall monitor and review all investments for consistency with this investment policy. No person may engage in an investment transaction except as provided under the limits of this policy. The City Council may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

VI. Permitted Investment Instruments

1. U.S. Treasury and other government notes, bonds, bills, or obligations that carry the full faith and credit guarantee of the United States for the payment of principal and interest. Maturities shall not exceed five years in length. No more than fifty (50) percent of the City's investment portfolio may be invested in instruments defined under this section.

2. Federal Agency or U.S. government sponsored enterprises (GSE) bonds and note obligations, participations or other instruments. This includes but is not limited to obligations issued by Banks for Cooperatives, Federal Land Banks, Federal Intermediate Credit Banks, Federal Farm Credit Banks, Federal Home Loan Banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation or in obligations, participations, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes. Maturities shall not exceed five years in length**,** unless the funds to be invested are moneys generated from the proceeds of the sale of real estate assets restricted to a reserve account, and the investment security is "AA" rated by at least two of three nationally recognized rating agencies (Standard & Poor's, Moody's or Fitch) in which case maturities shall not exceed ten years in length. No more than 40 (forty) percent of the City's investment portfolio may be invested in instruments defined under this section.

3. Certificates of Deposit (CDs) which are Federal Deposit Insurance Company (FDIC) insured or fully collateralized time CD's in financial institutions in California. No more than 10 percent of the City's portfolio shall be invested in FDIC insured or fully collateralized time certificates of deposit. Maturities shall not exceed five years in length.

4. Negotiable FDIC insured Certificates of Deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank. Purchase of negotiable CD's may not exceed 30 percent of the City's investment portfolio. Maturities shall not exceed five years in length, and must have an IDC number greater than 165 (excellent rated).

5. Bankers' Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest category by Moody's Investors Services or by Standard & Poor's Corporation. Purchases of Bankers' Acceptances may not exceed 180 days maturity or 40 percent of the City's investment portfolio. No more than l0 percent of the City's investment portfolio may be invested in the Banker's Acceptances of any one commercial bank.

6. Medium-term corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated in a Double-AA rating category "AA" or its equivalent or better by a nationally recognized rating service. Additionally, corporate notes shall be widely diversified across all market sectors. Purchase of medium-term corporate notes may not exceed fifteen (15) percent of the City's investment portfolio. No more than five (5) percent of the City's investment portfolio may be invested in a medium-term note of any one corporation. Maturities shall not exceed five years in length.

7. Commercial paper rated in the highest tier of "prime quality" as provided by Moody's Investors Service, Inc., or Standard & Poor's Corporation, provided that the issuing corporation is organized and operating within the United States, has total assets in excess of $500 million and has an "A" or higher rating for its long-term debt, if any, as provided by Moody's or Standard & Poor's. Purchases of eligible commercial paper may not exceed l80 day's maturity nor represent more than l0 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed l5 percent of the City's investment portfolio. An additional l5 percent or a total of 30 percent of the City's investment portfolio may be invested only if the dollar weighted average of the entire amount does not exceed 3l days.

8. Repurchase Agreements used solely as short-term investments not to exceed 30 days. The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in VI.l and 2, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, l03 percent of the total dollar value of the money invested by the City for the term of the investment unless the term of the investment is overnight, in which case the total of all collateral for the Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, l00 percent of the total dollar value of the

investment. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis. Market value must be calculated each time there is a substitution of collateral. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

The City may enter into Repurchase Agreements with (l) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of $l billion and in the highest short-term rating category as provided by Moody's Investors Service, Inc. or Standard & Poor's Corporation. The City will have specific written agreements with each firm with which it enters into Repurchase Agreements. No more than 10 percent of the City's investment portfolio may be invested in Repurchase Agreements.

9. State of California's Local Agency Investment Fund (LAIF). Up to l00 percent of the City's portfolio may be invested in LAIF or up to the maximum permitted by California State Law. The LAIF portfolio should be reviewed periodically.

10. Securities and Exchange Commission (SEC) registered Money Market Mutual Funds as authorized by Government Code Sections 5360l and/or 53635. To be eligible for investment pursuant to this subdivision these companies shall either:

    a. Attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services;
    b. Have an investment advisor registered with the Securities and Exchange Commission with not less than five years experience investing in securities and obligations authorized by Government Code Section 5360l;
    c. Assets under management in excess of $500,000,000;
    d. The purchase price of the share of beneficial interest shall not include any commission charged by these companies; and,
    e. Purchases shall not exceed l5 percent of the investment portfolio of the City.

Under no circumstances shall any funds of the City be invested in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages. Nor

shall any of the City's funds be invested in any security that could result in zero interest accrual if held to maturity.

VII. Reporting Requirements

Quarterly investment reports shall be submitted by the City's Treasurer or designee to the City Council. The reports shall include, at a minimum, the following information for each individual investment:

- Type investment instrument;
- Institution/Issuer;
- Maturity date;
- Cost of security (par value) and dollar amount in all securities;
- Description of the funds and investments;
- Maturity distribution and of the portfolio;
- Current market value of all securities;
- Rate of return for the portfolio;
- A statement of compliance of the portfolio with the City's Investment Policy, and its ability to meet expenditure requirements for the next six months.

Pursuant to Government Code Section 53646 (e), the Treasurer may supply to the governing body, chief executive office and the external auditor a copy of the most recent statement received by the City on those investments in the State Local Agency Investment Fund in lieu of the above required statement.

VIII. Safekeeping and Custody

The assets of the City shall be secured through the third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. Collateralized securities such as repurchase agreements shall be purchased using the delivery vs. payment (DVP) procedure.

City of Pinole

GRANTS MANAGEMENT POLICY AND PROCEDURES

A. Policy

City departments actively pursue federal, state and other grant opportunities when deemed appropriate. Grant funding allows the City to leverage local public funds by extending and enhancing the services it offers to the community, and to introduce new initiatives.

B. Purpose

The purpose of this policy is to specify circumstances when grant funding is appropriate and to establish a standardized set of procedures for the fiscal administration, management, and monitoring of public and private grants. This policy is intended to ensure compliance with all applicable administrative, financial, reporting, and monitoring requirements established by the funding agency as well as all applicable administrative and fiscal directives and guidelines established by the City of Pinole. The policy and procedures established herein shall apply to all Federal, State, County and private grants administered by the City.

C. Definitions and Details

1. Staff Responsibilities

City Department seeking and managing grant funding is responsible for:

a. Preparation of grant application materials;
b. Providing sufficient data to allow City Management to evaluate the costs and benefits of the proposed grant;
c. Obtaining appropriate approvals for submission of grant, if necessary;
d. Obtaining City Council approval for acceptance of grant;
e. Understanding the operational and budgetary impact the grant has on the City;
f. Accumulating the appropriate accounting detail and supporting documentation;
g. Preparation of reports required by the grantor;
h. Providing the Finance Department with the following:
    i. Grant Award Letter;
    ii. Grant Contract;
    iii. City Council minutes of action or Council Resolution approving the grant;

iv. An administrative manual (this includes program guidelines and accounting procedures). This will allow Finance to maintain grant files which are accurate and complete.

i. Providing Finance copies of all grant amendments, program reporting, reimbursement requests and other communications to all agents involved in the grant administration process for review prior to submission.

The Finance Department (Finance Director) is responsible for:

a. Reviewing all financial reports to the grantor prior to submission to ensure its accuracy;
b. Assisting departments with any problems or questions regarding the grant submission process;
c. Scheduling audit of grant programs when requested by Grantee Agency. City staff will aid in the auditing process providing available source documents as requested by the auditing agency;
d. Coordinating the accounting for all receipts and disbursements related to the grant. Finance Department will determine setup and maintain the most appropriate method (s) of accounting for the grant in the financial system.

2. Pre-Application

Prior to submitting an application for any grant award, the applicant department shall thoroughly review the grant requirements outlined in the solicitation to ensure that the department is aware of and has the capacity to meet all administrative, fiscal, programmatic, reporting and monitoring requirements.

3. Post-Award

Set-Up

All new grants should be reviewed by the Finance Director to ensure that all grant details are accurate and grant budget is established in the financial system in accordance with any special conditions required by the funder.

a. Acceptance of all grants must be approved by action of the City Council. Said approval shall include authorization to appropriate funding to revenue and expenditure accounts.
b. For grants that were not included in the annual adopted budget, the applicant department will submit a request to appropriate revenue and expenditures to the City Council for review and approval. Once the grant budget has been approved by the City Council, department staff should submit a request to the Finance Department to establish the approved budget in the financial system.
c. The term of grant-funded positions must b e clearly identified and disclosed to the City Council prior to approval. If the expiration of a grant requires the

application of General Fund revenue for continued funding, this stipulation must also be disclosed.

d. One-time or fluctuating grant sources should not be used for ongoing programs.
e. The awarded department assumes the lead role in grant management in collaboration with the Finance Department.

Cash Handling

Grant funds are received from various funding agencies via checks and electronic wire/ACH transfers only and should be sent to the Finance Department. Hard copy checks are deposited weekly and promptly recorded in the City's financial system.

4. GRANT MONITORING AND QUARTERLY REPORTING

Grant Award Monitoring

Award monitoring shall be the responsibility of the applicant department to ensure that grant funds are expended for eligible activities in accordance with the guidelines established by the funder, including, but not limited to:

The applicant department shall obtain all documentation necessary to fully and accurately support all grant expenditures, including expenditures incurred by sub-recipients. Examples of supporting documentation may include, but not be limited to:

- Employee timesheets
- Personnel Activity Reports
- Personnel Action Forms
- Payroll reports
- Invoices and proof of payment
- Purchase receipts
- Workshop/Training itineraries
- Travel documents

Quarterly Reporting

Finance Department staff should review grant expenditures and cash position as needed to ensure proper oversight and fiscal administration of the grant. Claims for reimbursement based grants should be sent to the funder timely to ensure prompt reimbursement. If grant reimbursements are not received within the timeframe prescribed by the funder - generally 60 to 90 days - the appropriate applicant department staff should follow up to check on the status of the reimbursement request.

Grants are required to be reconciled at least quarterly as part of the Finance Department's grant reconciliation process. Grant reconciliation should include review of all of the following:

- Grant expenditure to revenue balance
- Grant budget to actual balance
- Status of reimbursement requests submitted to the funder for purpose of reversing revenue accruals
- Grant advances and whether or not funds should be recognized
- Grant end dates, closeouts
- Review grant information against the general ledger to ensure accuracy of information listed

5. RECORD RETENTION

The City is committed to ensuring that all necessary grant records and documents are adequately retained as required by federal, state, and private funding agencies. The below Record Retention Schedule is approved as the retention schedule for grant records and documents maintained by the applicant department. The schedule is applicable to all physical and electronic grant records maintained by the department as part of the administration and management of federal, state, and private grant funds.

RECORD RETENTION SCHEDULE: GRANT RECORDS

Record Type*	Retention Period
Original grant proposal Grant-specific policies and procedures Grant award letter Grant agreement and subsequent modifications, if applicable Grant budget and subsequent modifications, if applicable All pertinent funder correspondence, including emails, phone log notes, letters, site visit/monitoring/corrective action/audit reports, etc… All pertinent sub-recipient/sub-grantee correspondence including emails, phone log notes, letters, site visit/monitoring/corrective action/audit reports, etc…	At least 5 years following official notification by the awarding agency that the grant has been fiscally and programmatically closed OR at least 5 years following the closure of its audit report covering the entire award period, whichever is later.

Record Type*	**Retention Period**
Fiscal and program/performance reports submitted to the funder including explanation of data collection/reporting methodology, if not evident	
Wire transfers and/or copies of reimbursement checks received	
Documentation of required matching funds	
All documentation relating to grantee compliance with the grant agreement	
All evidence of returned grant funds	
All supporting documentation necessary to fully and adequately justify grant expenditures including timesheets, payroll reports, Personnel Activity Reports, receipts, invoices, etc…	
Other documents deemed necessary and important by grant program/fiscal staff and/or documents required to be maintained by the funder	

** All grant documents and records should be organized and maintained in designated grant files or other systematic organizational structure.*

City of Pinole

CAPITAL ASSET POLICY AND PROCEDURES

A. Policy

Purchased and donated assets meeting the City's capitalization definition and threshold will be classified and recorded in the City's financial records as capital assets. The value of the asset must meet the City's capitalization threshold of $5,000 to be recorded as a capital asset.

B. Purpose

To define costs eligible and establish thresholds for capitalization in conformity with Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and Statement No. 51 *Accounting and Financial Reporting for Intangible Capital Assets.*

C. Definitions and Details

Definition of a Capital Asset

A capital asset is any tangible or intangible asset purchased for use in the day-to-day operations of the City with a useful life greater than one year and has an acquisition cost of $5,000 or more. Donations with an estimated appraised value of $5,000 or more and have a useful life greater than one year is also considered a capital asset. Capital assets include items such as land, sewer lines, buildings, vehicles, equipment, and furniture.

Major Asset Classes

- (100) Land – includes land under infrastructure and preparation costs. Costs can include acquisition prices and cost of initially preparing land for its intended use (basic site improvements, removal, excavation, relocation, reconstruction). Usually has an indefinite useful life and is not depreciated.

- (200) Improvements other than buildings - permanent improvements (non-moveable), other than buildings that add value to land, but do not have an indefinite useful life. Examples include fences, retaining walls, parking lots, and landscaping.

- (300) Buildings - permanent structures. Costs can include purchase of new building or cost of an improvement to an existing building. An entire building can be classified as one asset or be reported as separate capital assets if discrete portions of the building have significantly different useful lives (e.g. roof separate from building).

- (400) Infrastructure - capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, water and sewer systems, and lighting systems.

- (600) Furnishings and Equipment - moveable assets that includes all costs to place equipment into service (freight, installation, warranties, and sales tax). Each piece of equipment must meet the minimum capitalization threshold and is not recorded in bulk. Examples include vehicles, furnishings, machinery, servers, and appliances.

- (700) Other Capital Assets – capital assets that do not fit into any of the major asset classes. This can include:
    - Intangibles – assets that are not physical in nature. Generally, this includes software and easements (can also include water rights, trademarks).
    - Easements - intangibles with an indefinite useful life and are not depreciated.
    - Software - both internally generated and off-the-shelf.

- (900) Construction in Progress - construction projects in progress at the conclusion of the fiscal year. These costs are not depreciable until the project is completed and booked into the correct category of improvements, buildings, or infrastructure.

Capital Asset Useful Life

The capital asset useful life is the determining factor for the number of accounting periods over which the asset is to be depreciated. The City can determine the useful life of an asset by using historical information or by seeking guidance from other external resources to determine the proper useful life of the asset. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset as follows:

Class	**Useful Life**
• Buildings	50 years
• Equipment	5-10 years
• Vehicles	5-10 years
• Streets and roads	50 years
• Bridges	75 years
• Street drainage	100 years
• Parks	70 years
• Wastewater infrastructure	50 years

Capital Asset Review

The City relies on a decentralized method to verify the accuracy of capital assets. Departments are responsible for evaluating the condition and functionality of existing capital assets assigned to their department to determine if the asset is still providing the most appropriate method to deliver services. Capital assets should be assessed on an annual basis.

Disposal of Capital Assets/Surplus Property

When an asset will no longer be used in operations, voluntarily or involuntarily, the asset shall be removed from the City's financial records and removed from service. Disposal of equipment, material, or inventory will be in accordance with the City's surplus property guidelines.

"Surplus Property" is used generically to describe any City property that is no longer needed or useable by the holding department. The City Council shall declare item(s) surplus prior to disposal.

Methods of Disposition

- The department head or designee in consultation with the Finance Director shall determine or approve one of the following methods of disposition that is most appropriate and in the best interests of the City.

- All surplus property is for sale "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability or the property offered for sale. Appropriate methods of sale are as follows:

    1. Public Auction - Surplus property may be sold at public auction. City staff may conduct public Auctions, or the City may contract with a professional auctioneer including professional auction services.

    2. Bids - Bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsible bidder.

    3. Selling for Scrap - Surplus property may be sold as scrap if the department head or designee in consultation with the Finance Director deems that the value of the raw material exceeds the value of the property as a whole.

    4. Negotiated Sale - Surplus property may be sold outright if the department head or designee in consultation with the Finance Director determines that only one known buyer is available or interested in acquiring the property.

5. No Value Item – Where the department head or designee in consultation with the Finance Director determines that specific supplies or equipment are surplus and of minimal value to the City due to spoilage, obsolescence or other cause, or where the Purchasing Officer determines that the cost of disposal of such supplies or equipment would exceed the recovery value, the department head or designee in consultation with the Finance Director shall dispose of the same in such a manner as he or she deems appropriate and in the best interest of the City.

- Surplus property that remains unsold will be donated to a non-profit organization or transferred to an appropriate recycle center.

- Proceeds from the sale or trade-in of surplus property shall be submitted to Finance for returning to the appropriate fund.

City of Pinole

UNCLAIMED FUNDS/OUTSTANDING CHECKS POLICY AND PROCEDURES

A. Policy

The City of Pinole will account for unclaimed funds in a manner which follows Government Code Sections 50050 through 50056. Funds that remain unclaimed for at least three (3) years will become the property of the City of Pinole after the procedures identified herein have been followed.

B. Purpose

The purpose of this policy is to establish guidelines for the proper disposition of unclaimed funds and outstanding checks in accordance with government statutes.

C. Definitions and Details

Definitions

- Unclaimed Funds - Consists of funds which are not the property of the City but remain in the City Treasury for three (3) or more years without a claim being filed by the legal owner(s). Unclaimed funds do not include individual items of less than $15.00, any amounts in which the depositor's name is unknown, or restitution to victims.

- Warrant – Instrument issued to pay for goods and/or services rendered, issue refunds, etc. (i.e. a check).

- Stale Dated – A check that is older than six (6) months.

- Escheat – refers to state escheat laws that require agencies to transfer unclaimed property or funds to the state after three years and reasonable efforts locate the property owner.

Guidelines

The City of Pinole has established the policy to hold unclaimed payroll and accounts payable checks rather than escheating the unclaimed funds to the State of California.

This unclaimed funds policy applies to all outstanding payroll and accounts payable checks abandoned three years after the issue date.

Procedures: Items over $15.00

1. Quarterly during the bank reconciliation process, the outstanding warrant register will be reviewed for items six (6) months and older. For the warrants six months and older, a letter and unclaimed property claim form will be mailed to the address on record for the issued warrant. See Exhibit 1 and 2 for examples.

2. Every June 30th and December 31st, (final evaluation dates) all remaining outstanding warrants will be evaluated. Any warrants issued more than 12 months prior to evaluation date will receive a second letter and affidavit form. If no response is received within 30 days for the warrants 12 months or greater, the warrant will be identified as stale dated. Stale dated warrants shall be cancelled and voided in the system. A journal entry shall be prepared to record the total amount of stale dated checks in a hold account called "Aged Unclaimed Warrants".

3. A list of stale date warrants containing the warrant number, issue date, amount, and payee shall be maintained by the Finance Department. If a cancelled warrant is presented, or the payee files a claim after cancellation, the warrant shall be reissued by debiting the "Aged Unclaimed Warrants" account, and the original warrant shall be removed from the stale dated list.

4. Also on June 30th and December 31st, the stale dated list shall be evaluated to determine which warrants are more than 3 years old from the date of issue. Warrants that are more than 3 years old will be handled as follows:

    a. A notice must be published once a week for two consecutive weeks in a newspaper of general circulation in the City of Pinole stating the payee, the amount, the fund in which the money is held, and that it is proposed that the money will become the property of the City of Pinole on a specific date (not less than 45 nor more than 60 days after the first publication). See Exhibit 3 for example.

    b. Upon or prior to publication, a party of interest may file a claim (Exhibit 2) for the funds with the Finance Director. The claim must contain the claimant's name, address, amount, tax identification number, and grounds for claim prior to the date the funds become property of the City of Pinole. The Finance Director can require additional information to help substantiate the claim.

    c. On the day identified in the notice, the total dollar amount (on which no claims were filed) becomes the property of the City. A journal entry will be prepared to recognize the revenue. The money will be moved from "Aged Unclaimed Warrants" to the fund the warrant was originally issued from.

Procedures: Items under $15.00 or items where the depositor is unknown

1. Quarterly during the bank reconciliation process, the outstanding warrant register will be reviewed for items six (6) months and older. For the warrants six months and older, a letter and unclaimed property claim form will be mailed to the address on record for the issued warrant. See Exhibit 1 and 2 for examples.

2. Every June 30th and December 31st, (final evaluation dates) all remaining outstanding warrants will be evaluated. Any warrants issued more than 12 months prior to evaluation date will receive a second letter and affidavit form. If no response is received within 30 days for the warrants 12 months or greater, it becomes the property of the City of Pinole. Stale dated warrants shall be cancelled and voided in the system. A journal entry will be used to record the total amount of these warrants as revenue.

3. Any individual check of less than fifteen ($15) dollars, or any amount if the depositor's name is unknown, which remain unclaimed for a period of one (1) year may be transferred from the funds which the money was originally drawn from by the City Council to the General Fund without the necessity of publication of notice in a newspaper. (Gov. Code Section 50055)

Exhibit 1

Sample Letter

Dear _____,

Our records indicate that check number _____ issued to you on _____ in the amount of $_____ by the City of Pinole has not been cashed and is now stale dated. To claim this money, please complete the enclosed Unclaimed Property Claim Form as indicated and mail to:

City of Pinole
Finance Department
2131 Pear Street
Pinole, CA 94564

Upon receipt of the properly signed claim form, a new check will be issued to you.
If you have any questions, please call 510-724-9008 for assistance.

Andrea Miller
Finance Director
City of Pinole

Enclosure

Exhibit 2

Sample Unclaimed Property Claim Form

City of Pinole

UNCLAIMED PROPERTY – CLAIM FORM

Return completed form to:
City of Pinole
Finance Department
2131 Pear Street
Pinole, CA 94564

Pursuant to California Government Code Section 50052, I wish to file a claim for a previously issued unclaimed check in the amount of $_____ that was published in the Local Newspaper on _____. The grounds on which I file this claim are:

Vendor or individual Name (Printed)	Taxpayer ID # or Social Security No.
Vendor or individual Signature	Telephone
Address	City, State, Zip

FINANCE USE ONLY

Claim received on: _____ Approved ☐ Denied ☐ Reason for Denial: _____

Original Warrant #: _____ Date: _____ Amount: _____

Replacement Warrant #: _____ Date: _____ Amount: _____

_____
Finance Director

Exhibit 3

Sample Notice to be published in the newspaper

NOTICE IS HEREBY GIVEN THAT, the City of Pinole, County of Contra Costa, State of California, declares that the following monetary sums have been held by the City of Pinole and have remained unclaimed in the funds hereafter indicated for a period of over three (3) years and will become the property of the City of Pinole on the xx day of the Month, Year, a date not less than forty-five (45) days nor more than sixty (60) days after the publication of this Notice.

Any party of interest may, prior to the date designated herein above, file a claim with the City's Finance Department which includes the claimants name, address, telephone number, social security number or federal identification number, amount of the claim, and the grounds on which the claim is founded. The Unclaimed Property Claim form is available at the City of Pinole Finance Department, 2131 Pear Street, Pinole, CA 94564. Additional questions may be directed to Andrea Miller, Finance Director, at (510) 724-9823. Once a claim is submitted, the Finance Director will determine what, if any, additional information is necessary.

This notice and its contents are in accordance with California Government Code Sections 50050 – 50056.

PAYEE NAME	AMOUNT	SOURCE OF FUNDS
Vendor A	$345.78	General Fund
Vendor B	$127.52	Water Fund
Vendor C	$300	Sewer Fund

RESOLUTION NO. 2019-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA ADOPTING CITY OF PINOLE FISCAL POLICIES FOR FY2019-20

WHEREAS, the National Advisory Council on State and Local Budgeting (NACSLB) and the Government Finance Officers Association (GFOA) recommend that local governments adopt and annually review financial policies to help frame resource allocation decisions as a part of a comprehensive set of recommended budget practices; and

WHEREAS, financial policies are an essential element in sound fiscal administration; and

WHEREAS, the Finance Director has rendered to the Finance Subcommittee the following proposed financial policies which were presented at their regularly scheduled meeting of May 1, 2019: Financial Policies; Investment Policy; Grants Management Policy; Capital Assets Policy; and, Unclaimed Funds/Outstanding Checks Policy; and

WHEREAS, the Finance Director recommends the following proposed financial policies, as set forth in Attachments A-E: Financial Policies; Investment Policy; Grants Management Policy; Capital Assets Policy; and, Unclaimed Funds/Outstanding Checks Policy; and

WHEREAS, the City Council did consider the contents of the proposed financial policies presented by the Finance Director at their May 7, 2019 meeting and does endorse said policies.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Pinole, that the City of Pinole Financial Policies, as presented by the Finance Director in keeping with recommended guidelines of the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association and attached hereto and made a part hereof, are adopted.

PASSED AND ADOPTED this 7th day of May 2019, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this **7th** day of **May, 2019.**

_____
Heather Iopu, CMC
City Clerk

CITY COUNCIL REPORT

7G

DATE: MAY 7, 2019

TO: MAYOR AND COUNCIL MEMBERS

FROM: TAMARA MILLER, DEVELOPMENT SERVICES DIRECTOR/CITY ENGINEER

SUBJECT: APPROVE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CAROLLO ENGINEERS FOR THE PINOLE HERCULES WATER POLLUTION CONTROL PLANT UPGRADE PROJECT IN AN AMOUNT NOT TO EXCEED $348,920

RECOMMENDATION

Adopt a resolution authorizing the City Manager to execute an amendment to the professional services agreement with Carollo Engineers for construction management services for the Pinole-Hercules Water Pollution Control Plant (PH WPCP) Upgrade project in an amount not to exceed $348,920.

BACKGROUND

On June 11, 2015 the City Council approved a professional services agreement with Carollo Engineers to provide construction management services during construction of the PH WPCP Upgrade project. On January 19, 2016, February 16, 2016 and again on November 13, 2018, the City approved amendments to the agreement to expand service to include the Fiscal Administrator role and the Public Works Director role and to cover the extended duration of the Project. Carollo has been serving in these roles since the start of construction in June 2016. Carollo's contract was approved for the initial full contract value; payment authority was limited to 75%, requiring a review and explanation to the WPCP Subcommittee for authorization of the final 25% of expenditures. In March 2018 an explanation of expenditures was provided to the WPCP Subcommittee, and the Committee recommended authorization of the final 25% of expenditures. On April 3, 2018, the Council approved the authorization of the final 25% of expenditures.

As previously shared with the Council, the PH WPCP Upgrade project has experienced significant delays arising out of delayed service delivery by PG&E. This delay will require the City to rely upon Carollo for an extended period of time to continue to provide the construction management role. It was initially expected that substantial completion of the PH WPCP Upgrades would be April 2019; now we expect it will be July 2019.

REVIEW AND ANALYSIS

At the last WPCP Subcommittee and the March 19, 2019 Council meeting, Mike Warriner of Carollo Engineers provided the quarterly update for the project and shared with the WPCP Subcommittee the need to again amend their contract to correspond with the extended term of construction.

Mike Warriner has provided a request for an additional $348,920 for additional resources which is shown in Attachment B. Please note this request does not include claim defense past formal negotiations, such as we have done to date. If we have to take any of the claims to arbitration, additional scope and funding will be necessary.

The Subcommittee supported this amendment.

FISCAL IMPACT

This third amendment would increase the overall agreement with Carollo Engineers to a total not to exceed amount of $3,978,692.

The Council has already approved the funding for this project which is jointly funded with the City of Hercules, and has approved a Fiscal Agreement for the project. The project includes a 7% contingency or $3,020,010. The Fiscal Agreement already sets forth the requirement to increase the escrow deposit upon the request of the Fiscal Officer if necessary, using our Sewer Enterprise Fund Balance. It is recommended that this amendment to the professional services agreement with Carollo Engineers be approved with an understanding that the funds may have to be supplemented as per the Fiscal Agreement prior to the close of the project.

ATTACHMENTS

Attachment A – Resolution
Attachment B – Contract Amendment with Exhibit

ATTACHMENT A

RESOLUTION NO. 2019-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, APPROVING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CAROLLO ENGINEERS FOR THE PINOLE HERCULES WATER POLLUTION CONTROL PLANT UPGRADE PROJECT IN AN AMOUNT NOT TO EXCEED $348,920

WHEREAS, The City of Pinole desires to expand the services provided by Carollo Engineers in the capacity of Construction Management for the Pinole Hercules Water Pollution Control Plant Upgrade Project; and

WHEREAS, Carollo Engineers has served in the capacity of Construction Management since the project began in June 2016; and

WHEREAS, additional services are needed because of substantial completion is extended out to July 2019; and

WHEREAS, Carollo Engineers has provided an outline of the additional services needed and the cost thereof; and

WHEREAS, the Wastewater Subcommittee, at their last meeting, discussed the need for these additional services and recommended approval of such amendment; and

WHEREAS, funding has been established in the project's contingency fund as well as provisions for additional funds in the Fiscal Agreement; and

WHEREAS, the City of Hercules supports this amendment.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Pinole does hereby:

Section 1: Approve Amendment Four to the Professional Services Agreement with Carollo Engineers for Pinole Hercules Water Pollution Control Plant Upgrade Project in an amount not to exceed $348,920; and

Section 2: Authorize the City Manager to execute Amendment Four to the Professional Services Agreement with Carollo Engineers; and

Section 3: Authorize the Finance Director to increase the escrow deposit using our Sewer Enterprise Fund Balance, as necessary, in accordance with the Fiscal Agreement between the City of Pinole and the City of Hercules.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 7nd day of May 2019 by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I, hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on this 7th day of May 2019.

_____
Heather Iopu, CMC
City Clerk

PROFESSIONAL SERVICES AGREEMENT
FOR PINOLE HERCULES WATER POLLUTION CONTROL PLANT UPGRADE
PROJECT CONSTRUCTION MANAGEMENT SERVICES

AMENDMENT NUMBER FOUR
Date: MAY 7, 2019

WHEREAS, Carollo Engineers, Inc. and the City of Pinole have fully executed a Construction Management Agreement dated June 11, 2015 concerning improvements to the Pinole Hercules Water Pollution Control Plant Upgrade Project (the "Agreement"), and

WHEREAS, the above parties have amended this Agreement on January 19, 2016, on February 16, 2016 and again on October 2, 2018 and wish to amend the Agreement again pursuant to paragraph 32 "Amendment" (page 10 of 14) to adjust paragraph 4, section B. "Compensation" (page 1 of 14) and adjust Exhibit A "Scope of Work and Schedule", and

WHEREAS, the above parties intend to amend the term and conditions of the Agreement to allow for mutually acceptable changes in the scope, character, or complexity of the work that best can be summarized as Task 9 the additional Carollo Engineers, Inc. cost for Construction Management with the Project construction expanding in time to match the substantial completion date.

THEREFORE, in consideration of the expanded scope of services to be provided by Carollo Engineers, Inc; the additional compensation to Carollo Engineers, Inc. for these services shall not exceed $348,920 per Task 9 on the attached Exhibit "A".

FURTHER MORE, the above additional services are required to complete the project as contemplated. The services of Task 9 are in addition to the base Agreement limitation amount of $2,152,084, plus Amendment One amount of $196,876, and plus Amendment Two amount of $775,632, plus Amendment Three amount of $504,980 and raises the limitation amount to $3,978,692 which cannot be exceeded without prior approval by the Pinole City Council and written authorization of the City Manager.

IN WITNESS WHEREOF, the parties hereto have executed this document the day, month and year first above written.

EFFECT OF THE AMENDMENT. The terms and conditions of this Amendment are intended by the Parties to modify the Agreement. To the extent there is any inconsistency between the terms of this Amendment and the terms of the Agreement and/or its Appendix, the terms of this Amendment shall control.

CITY OF PINOLE	CAROLLO ENGINEERS, INC.
_____	_____
Michelle Fitzer	Title: _____
City Manager	Address: _____

City: _____
State/Zip: _____

Approved as to Form

Tax ID #:_____
Dated: _____

Eric S. Casher
City Attorney

Dated: _____

CITY COUNCIL REPORT

7H

DATE: MAY 7, 2019

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREA MILLER, FINANCE DIRECTOR
DINA ROSALES, CITY TREASURER

SUBJECT: RECEIVE THE QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDING MARCH 31, 2019, AND AUTHORIZE STAFF TO INVEST ADDITIONAL FUNDS IN LONG-TERM SECURITIES

RECOMMENDATION

Receive the Quarterly Investment Report for the quarter ending March 31, 2019, and authorize staff to invest additional funds in long-term securities.

BACKGROUND

The City of Pinole Investment Policy calls for a Quarterly Investment Report to be submitted to the City Council. The enclosed Investment Report for the reporting period ended March 31, 2019 conforms to the reporting guidelines for California public agencies set forth in Section 53646 of the Government Code.

REVIEW AND ANALYSIS

All investments held at March 31, 2019 conform to the City's Investment Policy and State Regulations. A summary of the balances held in the investment portfolio (Attachment A), at March 31, 2019, follows:

Investments	Market Value	% of Portfolio
Investment Pool - LAIF	25,478,382	65.61%
Investment Pool - JPA	3,176,579	8.18%
Money Market Savings	7,042,426	18.14%
Mutual Funds	65,342	0.17%
Certificates of Deposit	1,591,450	4.10%
Medium-Term Corporate Notes	498,200	1.28%
Federal Agency Securities	980,730	2.53%
Investment Total	**$ 38,833,108**	**100.0%**

Investment Yield and Duration:

The current aggregate yield of the City's investment portfolio is stabilized at 1.551%. This investment yield is slightly lower than the current yield of 2.360% for the State of California's Local Agency Investment Fund (LAIF). LAIF yields have continued to increase over the past year, and are higher than long-term investment yields in some cases which have caused our aggregate yield to be slightly less than the LAIF yield. In addition, 18% of our portfolio is in money market funds which earn 0.063% interest. LAIF and other pooled funds make up 74% of our investment portfolio.

Long-term investments make up 8% of our portfolio, and currently yield 1.690%; which is less than LAIF. Earnings on investments held until maturity typically fluctuate with market conditions and are considered "unrealized" prior to maturity. The City expects to yield a gain on all investments at maturity.

Investments	**Q3-2019 Yield**	**Q3-2018 Yield**
Investment Pool - LAIF	2.360	1.570
Investment Pool - JPA	2.550	2.070
Money Market Savings	0.063	0.047
Mutual Funds	1.020	0.773
Certificates of Deposit	1.929	1.833
Medium-Term Corporate Notes	2.260	2.547
Federal Agency Securities	1.550	1.573
Municipal Bonds	0.000	2.250
Average Yield	**1.551**	**1.561**

Cash Flows:

Sufficient cash inflows were available from July through March 2019 to meet all City expenditures. In addition, the City has sufficient cash flow at March 31, 2019 to cover anticipated expenditures through the next six months.

Investment Strategy:

The City utilizes a passive investment management approach by buying and holding securities until maturity. A "laddered maturity" investment strategy is applied to a portion of the asset allocation in our investment portfolio, currently 8.07%. A laddered portfolio is structured with securities that have different maturity dates. As securities are called or mature, proceeds are reinvested in a new security with a longer term at the end of the ladder. Laddering helps to minimize interest-rate risk, increase liquidity, and diversify credit risk.

Of the total investment portfolio, 91.93% is held in investment pools and money market accounts. Of this amount, LAIF currently represents 65.61% of the City's investment portfolio. Interest earnings of $119,127 were generated in LAIF for the quarter ended March 31, 2019. The Investment Policy allows for up to 100% of the City's investment portfolio in LAIF which is currently at 2.360% yield.

Safekeeping for a General Reserve Investment Account:

The City continues to maintain a Safekeeping account to augment the City's participation in the State's Local Agency Investment Fund (LAIF) and the County's CalTrust Pools. This provides the Finance Director with the ability to implement a directed investment plan with longer investment duration thereby yielding greater investment earnings on federal agency securities of comparable credit risk.

To complement our participation in LAIF and to maintain a diverse investment portfolio, staff recommends transferring $3 million from LAIF to invest in long-term securities. Analysts are projecting yields on two and three year negotiable certificates of deposits (CDs) to range between 2.25% and 2.60%, and yields on five year CDs between 2.65% and 2.75%.

All City investments held are in accordance with the City's Investment Policy.

FISCAL IMPACT

All City cash and investments are pooled and interest is allocated to funds quarterly based on the average balance of each fund during the quarter ending. Interest earnings for the period ending March 31, 2019 are on par with the prior year's third quarter earnings of 1.561% as a result of the increase in LAIF account allocations.

ATTACHMENTS

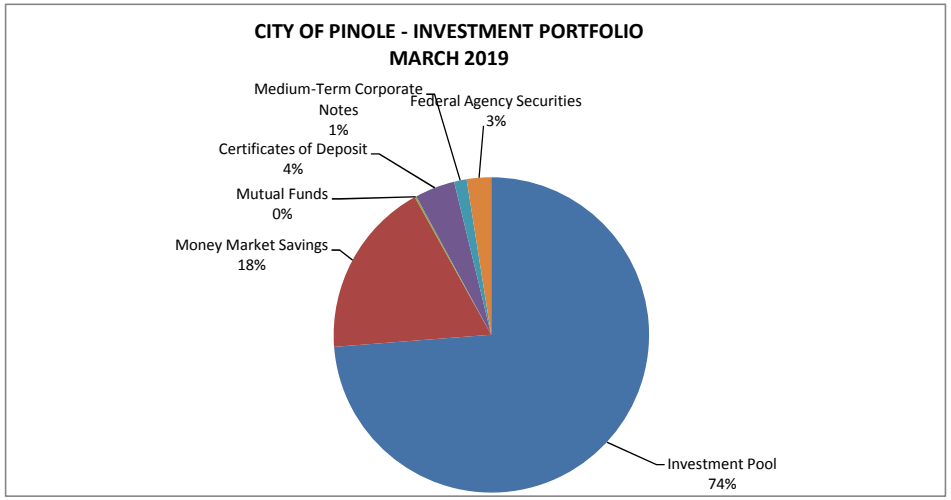
Attachment A –Investment Report - Quarter Ending March 31, 2019

CITY OF PINOLE
INVESTMENT REPORT MARCH 2019
PORTFOLIO SUMMARY

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	Yield	Weighted Average Maturity
Investment Pool - LAIF	25,478,382	25,478,382	25,478,382	65.61%	1	2.360	1
Investment Pool - JPA	3,176,579	3,176,579	3,176,579	8.18%	1	2.550	0
Money Market Savings	7,042,426	7,042,426	7,042,426	18.14%	1	0.063	0
Mutual Funds	65,342	65,342	65,342	0.17%	1	1.020	0
Certificates of Deposit	1,615,000	1,591,450	1,591,450	4.10%	663	1.929	3
Medium-Term Corporate Notes	500,000	498,200	498,200	1.28%	695	2.260	9
Federal Agency Securities	1,000,000	980,730	980,730	2.53%	878	1.550	22
Subtotal Investments	$ 38,877,728	$ 38,833,108	38,833,108	100.00%	373	1.551	6
					Average Years:		**1.0**
Cash							
Mechanics Bank - Vendor Checking *	1,529,692	1,529,692	1,529,692		1		
Bank of the West - Payroll Checking *	1,483,005	1,483,005	1,483,005		1		
Bank of the West - Checking (Credit Card Clearing) *	497,638	497,638	497,638		1		
Subtotal Cash	3,510,335	3,510,335	3,510,335		1		
Total Cash and Investments	**$ 42,388,063**	**$ 42,343,443**	**$ 42,343,443**				

*Not included in yield calculations

The above investments are consistent with the City's Investment Policy and allowable under current legislation of the State of California. Investments were selected using safety, liquidity and yield as the criteria. The source of the market values for the investments are provided by US Bank in accordance with the California Government Code requirement. The City has sufficient cash flow to cover anticipated expenditures through the next six months.



CITY OF PINOLE
INVESTMENT REPORT MARCH 2019
PORTFOLIO DETAILS

Type / Account Number	CUSIP	Issuer	Investment Description	Manager	Par Value	Market Value	Book Value	Rate	Yield	Days to Maturity	S&P Rating	Maturity Date	Weighted Average Maturity
Investment Pool													
		Local Agency Investment Fund (LAIF)	Pooled Treasury - State of California	LAIF	25,478,382	25,478,382	25,478,382	2.360	2.360	1	N/A		1
		CalTrust - Short Term Fund (City)	Pooled Treasury - Joint Power Financing Authority	CalTrust	23,666	23,666	23,666	2.520	2.520	1	N/A		0
		CalTrust - Medium Term Fund (City)	Pooled Treasury - Joint Power Financing Authority	CalTrust	3,152,913	3,152,913	3,152,913	2.580	2.580	1	N/A		0
			Subtotal and Average		28,654,960	28,654,960	28,654,960	2.487	2.487	1			0
Money Market Savings													
		Mechanics Bank	Money Market Savings (City)	City	4,334,339	4,334,339	4,334,339	0.080	0.080	1	N/A		0
		Bank of the West	Money Market Savings - Police Evidence Trust	City	28,403	28,403	28,403	0.080	0.080	1	N/A		0
84501100	999491905	Wells Fargo Bank	Money Market - WPCP Escrow	Wells Fargo	2,679,684	2,679,684	2,679,684	0.030	0.030	1	N/A		0
			Subtotal and Average		7,042,426	7,042,426	7,042,426	0.063	0.063	1			0
Mutual Funds													
19-516680		U.S. Bank	Accrued Income - City Reserve	US Bank	8,379	8,379	8,379	0.000	0.000	1	N/A		0
19-516680	31846V203	1st American Government Obligation Fund	Mutual Fund Shares - Class "D" - City Reserve	US Bank	56,964	56,964	56,964	2.010	2.040	1	N/A		0
			Subtotal and Average		65,342	65,342	65,342	1.005	1.020	1			0
Certificates of Deposit													
19-516680	02587DJ90	American Express Centurion	Certificates of Deposit - City Reserves	US Bank	247,000	245,508	245,508	2.250	2.260	619	N/A	12/9/2020	4
19-516680	140420A59	Capital One Bank	Certificates of Deposit - City Reserves	US Bank	248,000	241,795	241,795	1.600	1.640	856	N/A	8/3/2021	5
19-516680	29266NV79	Enerbank USA	Certificates of Deposit - City Reserves	US Bank	249,000	247,820	247,820	1.750	1.760	253	N/A	12/9/2019	2
19-516680	29976DQ86	Everbank Jacksonville FL	Certificates of Deposit - City Reserves	US Bank	125,000	121,956	121,956	1.500	1.540	865	N/A	8/12/2021	3
19-516680	48126XAH8	JP Morgan Chase Bank	Certificates of Deposit - City Reserves	US Bank	247,000	240,729	240,729	1.650	1.690	869	N/A	8/16/2021	5
19-516680	795450XM2	Sallie Mae Bank	Certificates of Deposit - City Reserves	US Bank	125,000	124,455	124,455	2.200	2.210	626	N/A	12/16/2020	2
19-516680	9497485W3	Wells Fargo Bank	Certificates of Deposit - City Reserves	US Bank	249,000	244,092	244,092	1.750	1.780	809	N/A	6/17/2021	5
19-516680	96009JAR8	Westfield Bank Mass	Certificates of Deposit - City Reserves	US Bank	125,000	125,095	125,095	2.550	2.550	407	N/A	5/11/2020	1
			Subtotal and Average		1,615,000	1,591,450	1,591,450	1.906	1.929	663			3
Medium-Term Corporate Notes													
19-516680	037833BS8	Apple Inc.	2.25% Corporate MTN 02/23/2021 - City Reserves	US Bank	500,000	498,200	498,200	2.250	2.260	695	AA+	2/23/2021	9
			Subtotal and Average		500,000	498,200	498,200	2.250	2.260	695			9
Federal Agency Securities													
19-516680	3130A2D2	Federal Home Loan Banks	1.52% Agency Bond 8/25/2021 - City Reserves	US Bank	1,000,000	980,730	980,730	1.520	1.550	878	AA+	8/25/2021	22
			Subtotal and Average		1,000,000	980,730	980,730	1.520	1.550	878			22
			Investment Portfolio Total and Average		**$ 38,877,728**	**$ 38,833,108**	**$ 38,833,108**	**1.539**	**1.551**	**373**			**6**

Average Years :	**1.0**

CITY COUNCIL REPORT

10A

DATE: **MAY 7, 2019**

TO: **MAYOR AND COUNCIL MEMBERS**

FROM: **MARIA PICAZO, RECREATION MANAGER**
HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: **CONSIDER A REQUEST FROM LA CASITA BILINGÜE MONTESSORI SCHOOL'S FUNDRAISING COMMITTEE IN PINOLE FOR A REFUND OF THE RENTAL FEE FOR FERNANDEZ PARK BBQ AREA ON MAY 11, 2019**

RECOMMENDATION

It is recommended that the City Council consider a request from La Casita Bilingüe Montessori School's fundraising committee in Pinole for a refund of the rental fee for Fernandez Park BBQ Area on May 11, 2019.

BACKGROUND

The City of Pinole provides park and facility rental space at the Senior Center, Youth Center, Fernandez Park, Fernandez Park Baseball field, Soccer Fields, Pinole Valley Park Grove, and Pinole Valley Park Baseball Field. The revenues generated from these rentals are designated as funds to support the operation of the Recreation Department.

Occasionally, members of the community or public organizations approach the City with a request to waive or refund associated fees. The Recreation Department usually receives one to three waiver requests a year. Staff is not authorized to waive or refund any fees and any and all requests must be approved by the City Council.

In addition, there is a Temporary Use Permit (TUP) required for this event which has an associated fee of $244. This fee can be waived by the City Manager for non-profit entities.

REVIEW AND ANALYSIS

Recently La Casita Bilingüe Montessori School's fundraising committee reserved Fernandez Park for their walk/run fundraiser event "La Casita Miles". The school has experienced a decline in enrollment, resulting in reduced services and special events for the students attending. The parents started a fundraising committee based on the needs of the school. They are a newly established committee and do not have any funds reserved. All fundraiser expenses are paid out of pocket by the parents.

According to the event organizer Alejandro Pena, all proceeds from the event will be used to provide services to the students and financial assistance to families in need.

La Casita Bilingüe Montessori School's fundraising committee is requesting a refund of the paid rental fee for Fernandez Park BBQ Area. The committee has stated that they will move forward with hosting their event at the park even if their request for refund is denied.

If Council approves their refund request, a resolution approving the refund request is attached. If the resolution is approved, the City Manager will authorize the waiver of the TUP fee of $244 per the discretion provided in the Master Fee Schedule.

FISCAL IMPACT

The Recreation Department depends on rental revenues to offset its operating costs, so any waivers will have a negative impact on our revenue projections. The 2018-2019 Recreation budget reflects projected revenues of $14,000, projected expense of $192,844 and a projected deficit of $178,844. Approval of the request will result in the Recreation Department losing $110 in rental income (Fernandez Park resident fee) and the Planning Division losing $244 in permit fees.

ATTACHMENTS

A Resolution
B Letter from La Casita Bilingüe Montessori School's fundraising committee
C TUP Page from City Master Fee Schedule

RESOLUTION NO. 2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING A REFUND REQUEST FROM LA CASITA BILINGÜE MONTESSORI SCHOOL'S FUNDRAISING COMMITTEE IN PINOLE FOR THE RENTAL FEE FOR FERNANDEZ PARK BBQ AREA ON MAY 11, 2019

WHEREAS, the City of Pinole provides park and facility rental space at the Senior Center, Youth Center, Fernandez Park, Fernandez Park Baseball field, Soccer Fields, Pinole Valley Park Grove, and Pinole Valley Park Baseball Field; and

WHEREAS, the revenues generated from these rentals are designated as funds to support the operation of the Recreation Department; and

WHEREAS, occasionally, members of the community or public organizations approach the City with a request to waive associated fees, and Staff is not authorized to waive any fees so any and all requests must be approved by the City Council; and

WHEREAS, La Casita Bilingüe Montessori School's fundraising committee reserved Fernandez Park for their walk/run fundraising event on May 11, 2019; and

WHEREAS, the parents started the fundraising committee based on the needs of the school; and

WHEREAS, they are a newly established committee and do not have any funds reserved, all expenses are paid out of pocket; and

WHEREAS, La Casita Bilingüe Montessori School's fundraising committee is requesting a refund of the paid $110 rental fee.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Pinole does hereby approve a refund request from La Casita Bilingüe Montessori School's fundraising committee in the amount of $110 for the use of Fernandez Park BBQ Area on May 11, 2019.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 7th day of May, 2019 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing ordinance was regularly introduced, passed, and adopted on this 7th day of May, 2019.

_____

Heather Iopu
City Clerk

LA CASITA BILINGÜE MONTESSORI

A Unique Bilingual Preschool and Kindergarten
A Non-Profit Organization
Celebrating 33 Years!

Dear Council Members:

I am writing this letter to ask for your support in a fundraising event for La Casita Bilingüe Montessori School in Pinole by waiving Reservation Fees for Fernandez Park. La Casita is a 501c3 school (tax ID: 680267194) that serves students from Pre-K, TK, Kinder and afterschool program. La Casita is a not for profit school and depends solely on student enrollment and tuition for funds to operate and provide services to students. Enrollment has been dropping the last few years and with that so have some of the services provided such as field trips, presentations as well as materials for students to use in class.

As parents we are looking for creative ways to fundraise and bring back some of those services including scholarships for parents who cannot afford tuition. One of the fundraising events we are planning is a walk/run, "La Casita Miles" (1 mile, 5k (3 miles) and kids loop (loop around grass area at Fernandez Park). The event will be starting and ending at Fernandez Park, using The Pinole Creek trail going west to railroad Ave and back to Fernandez Park for the 1 mile. Those participating in the 5k will turn again going towards Railroad Ave and turning left to run the trail along the water (East Bay Parks Trail) for half a mile and turning around the same path to finish at Fernandez Park. This is a fundraising and all expenses are currently out of pocket. We are asking for a waiver for the use of Fernandez Park reservation fees.

All proceeds from the event will be going to La Casita for the sole purpose to provide services to students and financial assistance for families that cannot afford tuition. The fundraising will not be used for staff salaries or other staff expenses.

Thank you for taking the time to review our request.

Sincerely,

Erica Garcia Pena
Fundraising Chair
(510) 685-3871
eggarcia23@gmail.com

Alejandro Pena
Event Organizer
(510) 821-8985
alexpena22@gmail.com

592 Tennent Avenue
Pinole, CA 94564
(510) 724-1724
www.la-casita.org
lcbms@sbcglobal.net

CITY OF PINOLE – MASTER FEE SCHEDULE
DEVELOPMENT SERVICES DEPARTMENT
PLANNING DIVISION: FEES EFECTIVE April 5, 2017

Service	Fee
Design Review	
Administrative Design Review: SF/MF/Commercial projects less than 500sq. ft. or new SF that conforms to City's Residential Design Guidelines.	$549
Comprehensive Design Review – Small Project: Projects 500 sq. ft. or greater but <5,000 sq. ft.	$2,679
Comprehensive Design Review – Large Project: Projects greater than or equal to 5000 sq. ft.	$5,114
Sign Permit: New Sign / Approved Program, replace old sign as previously approved etc.	$244
Creative Sign Program: Encourage signs of unique design	$500
Sign Program: 5 or more signs or greater than 200 sq. ft. of total aggregate sign area or a building with 3 or more tenants	$1,218
Use Permits	
Similar Use Determination	$244
Administrative Use Permits (AUP): Accessory Dwelling Units, Outdoor Dining, Outdoor Sales, Reasonable Accommodation	$731
Temporary Use Permits (TUP) – Short Duration: Events of 5 days or less	$244 and $0 for non-profit entities at discretion of City Manager
Temporary Use Permits (TUP) – Long Duration: Events lasting more than 5 days	$488 and $0 for non-profit entities at discretion of City Manager
New Use Permits Commercial (CUP)	$2,679
Home Occupation Permit	$121.27
Condo Conversion Permit	$2,500 Deposit**
Tree Removal Permit	$201
Amendments	1/2 Original Fee
Combined with Other Permits	1/2 Original Fee
Variances	
Minor Deviation	$488
Single Family Variance	$1,218
All Other Variance requests	$2,679
Policy / Plan Amendments	
Prezoning / Annexation	$10,000 Deposit**
Rezoning / Zoning Code Amendment (includes Map and Text)	$6,025
Minor Plan Development Amendment	$216
General Plan Amendment	$5,000 + $100/acre Deposit** + $1,000 General Plan maintenance fee
Specific Plan Amendment	$5,000 Deposit** + $1,000 Specific Plan maintenance fee