

**CITY COUNCIL MEETING
MINUTES
July 15, 2025**

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

The City Council Meeting was held in a hybrid format (in-person and via Zoom videoconference and broadcast) from the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Sasai called the Regular Meeting of the City Council to order at 5:00 p.m. and led the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT

Before we begin, we would like to acknowledge the Ohlone people, who are the traditional custodians of this land. We pay our respects to the Ohlone elders, past, present and future, who call this place, Ohlone Land, the land that Pinole sits upon, their home. We are proud to continue their tradition of coming together and growing as a community. We thank the Ohlone community for their stewardship and support, and we look forward to strengthening our ties as we continue our relationship of mutual respect and understanding.

3. 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. Code § 87105.

A. COUNCILMEMBERS PRESENT

Cameron Sasai, Mayor
Norma Martinez-Rubin, Council Member
Devin Murphy, Council Member
Maureen Toms, Council Member

COUNCILMEMBERS ABSENT:

Anthony Tave, Mayor Pro Tem

B. STAFF PRESENT

Kelcey Young, City Manager
Heather Bell, City Clerk
Eric Casher, City Attorney
Lilly Whalen, Community Development Director
Melissa Klawuhn, Chief of Police
Justin Rogers, Operations Commander
Amy Eubanks, Traffic Officer
Roxane Stone, Deputy City Clerk

City Clerk Heather Bell announced the agenda had been posted on July 11, 2025 at 10:00 a.m. with all legally required written notices. Written comments had been received in advance of the meeting, distributed to the City Council and staff, posted to the City website and made available to the public to view in the Council Chambers.

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

4. 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.

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Gov. Code § 54957

Title: City Attorney

PUBLIC COMMENTS OPENED

City Clerk Bell reported there were no comments from the public.

PUBLIC COMMENTS CLOSED

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

At 6:05 p.m., Mayor Sasai reconvened the meeting into open session. There was no reportable action from the Closed Session.

6. 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. Individuals may not share or offer time to another speaker. 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.

Ann Tarabini, a resident of Orleans Drive, referenced a current sewer project on the street and the fact residents had been informed emergency vehicles could pass through, which was important since one of the residents required regular medical care. Last week residents met with the City and the contractors and had been promised the City would monitor parking; however, there had been two emergencies in the neighborhood and in both cases ambulance and fire trucks were unable to access the street due to illegally parked vehicles and emergency personnel had to walk to the homes to reach the patients. Construction equipment that was not to be parked in the area had also caused some of the obstructions.

In addition, broken pipes may have undermined the cliff at the end of Orleans Drive and neither the City nor the contractors knew about the slide issues on the hillside, which would be around 50-feet from the location of the digging for the sewer project. Also, there was a damaged drain in the area which residents had asked the City to repair a number of years ago. The drain emptied into the hillside and the water from the broken pipes ran down Orleans Drive to Tennent Avenue.

Due to the construction work in the middle of the street and the topography of the area, when the pipes were broken, water ran towards the end of the street and towards the hillside. In the past, residents had to wait until the East Bay Municipal Utility District (EBMUD) was able to come out and turn off the water which had taken over an hour in some cases. As a result, Ms. Tarabini asked that firefighters be trained to turn off the water.

Mayor Sasai advised the City Council had the speakers' contact info and he would follow-up personally after the meeting.

Bob Kopp, provided a recap of the 2025 Pinole Car Show which involved 320 classic cars; donations from the event would be given to different groups based on a total collection of \$12,124, and the total amount from the event was lower than the prior year due to expenses that had not been planned. He asked the City Council to approve a permanent driveway into the baseball field to allow the cars to be brought onto the grass, which would benefit the Public Works Department, which could access that end of the baseball field and participants could use the driveway. Organizers had installed and paid for gates for the temporary driveway and organizers would like a permanent driveway and he offered to show someone what was needed. He hoped to have more vehicles participate in the 2026 Car Show, and suggested there were ways for another show that would not require more than one police officer and two maintenance workers, with everything to be on the outfield grass or in the park area and not require the closure of San Pablo Avenue. He welcomed any questions from the City Council.

Mayor Sasai advised the City Council would follow-up.

7. REPORTS & COMMUNICATIONS

A. Mayor Report

1. Announcements

Mayor Sasai reported he had attended the Fourth of July festivities and drone show at Pinole Valley High School (PVHS) and thanked all City staff who worked on the event. On the same day, he provided the Key to the City in memory of the longest tenured employee of the City of Pinole, Robert Walker Jr., and he was pleased Mr. Walker's Family had been able to join the ceremony. He had also attended the Contra Costa Mayors' Conference when District Attorney Diana Becton had provided an update on initiatives she hoped to advance in the next fiscal year.

Mayor Sasai also thanked the community for being patient and the City Manager and the Public Works Department for providing updates on the City's waste hauling services with Republic Services. Currently, the City had limited trash collection routes running through Saturday. Residents were asked to place their garbage bins at the curb and any additional bags which would be picked up at no additional charge and with the trash collection to occur on non-scheduled days. Staff had done an amazing job coordinating to ensure residents had the means to have their waste collected, and he advised of alternative collection locations at 651 Pinole Shores Drive, a site that was open 24/7 for residents to drop off up to two bags of household trash but no e-waste. Another location was the Golden Bear Transfer Station, 1 Parr Boulevard, Richmond, Monday through Friday 7:00 a.m. to 5:00 p.m. and Saturday from 9:00 a.m. to 5:00 p.m., allowing residents to drop off up to four bags of household waste, with no bulky items or e-waste accepted.

Mayor Sasai added that up to three heavy duty trash bags were being provided at City Hall, the Senior Center and the Public Safety Building.

B. Mayoral & Council Appointments: None

C. City Council Committee Reports & Communications

Council member Toms reported she was a member of the Working Group for Marketing for the Governing Board of the Green Empowerment Zone, the area of the northern waterfront in Contra Costa and Solano Counties, with the intent to promote businesses in clean energy and transition from refineries to different fuel sources. She highlighted the discussions to transition the workforce into cleaner energy. The Working Group for Marketing would look at some of the aspects they could use in marketing the community for those businesses through a website. She had also attended a meeting of the Governing Board for the Green Empowerment Zone with a discussion on the policies being considered. Follow-up would occur with the staff from all participating jurisdictions.

Council member Martinez-Rubin reported she had attended a WestCat Board of Directors meeting, with the Board having approved the Disadvantaged Business Enterprise Triennial Goal of two percent for Fiscal Year (FY) 2026 through 2028, and nominations for Chair and Vice-Chair for FY 2025/26. City of Hercules Council member Tiffany Grimsley has been selected to serve as the Chair and she [Council member Martinez-Rubin] would serve as the Vice-Chair. She was also the Alternate representative for the City of Pinole on the Pinole-Hercules Wastewater Subcommittee, and learned about the different metrics used with respect to the water collected through the storm drain system leading to the Bay and the indicators of how clean the water was before reaching the Bay. In addition, she learned staff would be more proactive to have all representatives (including Alternates) from the cities of Hercules and Pinole, learn about what was upcoming in the next quarter's agenda. The next Pinole-Hercules Wastewater Subcommittee meeting would be held on October 2, 2025. She wished everyone a Happy Summer given the City Council would be on recess through the month of August.

D. Council Requests for Future Agenda Items: None

E. City Manager Report / Department Staff

City Manager Kelcey Young thanked staff for the beautiful Fourth of July event; reported the City was recruiting for a vacancy on the Traffic and Pedestrian Safety (TAPS) Committee and three vacancies on the Community Services Commission; and the City Clerk's Office created a new online application portal which was live and available on the City website under the City Clerk's page. The deadline for applications was August 21, 2025. She added there would be no regular City Council meetings during the month of August and the next regular City Council meeting had been scheduled for September 2, 2025.

On August 5, 2025, the Pinole Police Department would participate in the National Night Out Caravan from 3:00 p.m. to 5:00 p.m., with officers to visit neighborhoods participating in the event, currently including the East Bay Bluffs Apartments on Marlesta Court and Canyon Drive.

City Manager Young reported that the first Citizens Academy would be held on August 6, 2025. The event was full but applications were being accepted for a wait list. Interested parties were encouraged to submit applications for the Citizens Academy scheduled for August 6, 13 and 20, 2025 from 5:00 to 7:30 p.m. in the Council Chambers.

City Manager Young reiterated that due to the Republic Services garbage strike, residents had the means to have their waste collected at 651 Pinole Shores Drive, a site that was open 24/7 for residents to drop off up to two bags of household trash, but no e-waste. City staff was working to coordinate a Town Hall with Republic Services in the near future to answer questions and provide more information on the current situation and how Republic Services planned to work with customers regarding the current service interruption. At this time, she read into the record a statement from Republic Services.

City Manager Young added she would be out of the office from July 21 through July 30, 2025, with Police Chief Melissa Klawuhn to serve as the Acting City Manager in her absence.

F. City Attorney Report: None

8. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations: None

B. Presentations

1. Traffic Related Incidents Report by Police Chief Klawuhn

Police Chief Melissa Klawuhn provided a PowerPoint presentation on the Traffic Related Incidents Report from the period January 1, 2025 through June 30, 2025, which included an overview of the Biannual Traffic Data and data points for traffic collisions from January – June 2025; traffic collisions primary collision factors, collisions at intersections for the same time period; and a Heat Map from Citizen RIMS (Records Information Management System), an interactive tool allowing the public increased access to service and arrest information, crime mapping, security camera registration and more. Data points for driving under the influence (DUI), a DUI arrests map, citations and parking citations for the period January to June 2025, was also highlighted along with training, equipment and grants.

Responding to questions from the City Council, Police Chief Klawuhn, Operations Commander Justin Rogers and Traffic Officer Amy Eubanks clarified the following:

- The Contra Costa County Office of the Sheriff had been able to contract with Peregrine, real-time unified law enforcement software solutions, which allowed all data sources to be brought together where it was easier to track and produce accurate data from multiple sources. The information provided as part of the PowerPoint presentation on primary collision factors and DUI arrests had been done through Citizen RIMS, but also doubled checked by hand by Traffic Officer Eubanks. Doing a monthly report would be taxing on staff but the Police Department had a demo provided by Peregrine and that sort of program would help with that type of data collection to obtain accurate data. (Toms)

- Acknowledged a request to see this report provided biannually, and a request for a more thorough and comprehensive report on how the Pinole Police Department was addressing The Racial and Identity Profiling Act (RIPA) data, which data was currently being collected and was entered into the Citizen RIMS system. From there, the data was transmitted to the Department of Justice (DOJ) and then reported out annually by the DOJ. Staff had the ability to pull RIPA data if the City Council sought more specific information regarding traffic stops and the breakdown of the demographics of those traffic stops. Clarified there was a difference between the RIPA data in Citizen RIMS versus what was published by the DOJ and there could be some small discrepancies between the data, but staff could provide that information if the Council wished in the next report centered around disparities that may occur in the reporting and what the Department was doing to ensure there was no implicit bias.

The RIPA data was available more in the form of training provided to officers at the academy as well as ongoing annual training regarding implicit bias and other factors involved in an officer's daily activities. The RIPA data applied not only to traffic stops but to any contacts law enforcement had whether dispatched to a Call for Service or an officer-initiated event. Having some clarification in that was important. Staff could report out on that data but it was important to be able to show the difference between that activity whether dispatched or officer-initiated. The other big component about RIPA was when the officer was entering information it was that officer's perception of race, gender, any disability and it was all based on the officer's perception, not what the person actually identified as or was reported out as. That information could be provided before the end of the year. (Murphy)

- The data points for traffic collisions, non-injury collisions, hits and run were again clarified, with most related to minor dents in parking lots. Clarified pedestrian versus vehicle injuries in such collisions involved incidents in a parking lot and were reported as non-injuries since the individuals did not sustain an injury, and likely involved a vehicle at slow speed either pulling out of a parking space or a pedestrian walking in front of a vehicle, with no injury sustained. (Martinez-Rubin)
- The data points for Primary Collision Factor were clarified with the data for the time of the collision not available at this time but could be added to the next report. Whether age was a data point collected for any of the reported incidents, staff suggested not relying on the RIPA data in terms of age. Unless staff were to go through each individual collision report, age was not a data point easily run. Acknowledged a request to consider age as a data point. (Martinez-Rubin)
- Clarified staff was unaware of any analytics received from Citizen RIMS but could see if that was something that was available on the back-end to track, with a report back. Citizen RIMS captured all Calls for Service for the entire day, which was the same log posted on Pinole Community Television (PCTV). Staff would have to clarify how instantaneous that information was being uploaded to PCTV. (Martinez-Rubin)

- The data points for Parking Citations during the report period were clarified, with the most common violations involving vehicles missing a front, rear plate or no plates, no tabs, expired registration and parking in a handicapped spot absent a placard. (Martinez-Rubin)
- Clarified the grants the Police Department had been awarded, as outlined in the PowerPoint presentation, and the kinds of outreach planned for each grant. Grants related to DUIs involved the use of slogans for outreach. For the Cannabis Grant the City received, as outlined in the PowerPoint presentation, the outreach required reaching out to juveniles/high schoolers and others in the community who had licenses and may use cannabis unlawfully, and may vape. (Martinez-Rubin)
- Acknowledged appreciation to Council member Murphy for his comments about the RIPA data and looked forward to more research and information in that area since the City Council was committed to tackling that problem. (Mayor Sasai)
- Clarified again the grants received, with one DUI checkpoint requested from the Cannabis Grant requested in cooperation with the City of Hercules Police Department. This was a fully funded grant. The Office of Traffic Safety (OTS) Grant requested three DUI checkpoints, although the City only received a little more than a third of the funding, which meant there would be only one DUI checkpoint. DUI checkpoints were personnel heavy and the grant covered the overtime costs for those events. One DUI checkpoint would focus on driving under the influence of alcohol and the other on driving under the influence of drugs. Clarified the last time the City had a DUI checkpoint, and received an OTS grant was in 2016. At that time, two DUI checkpoints were done under the grant and a third was not feasible due to limited staffing. (Mayor Sasai)
- Described how the Police Department enforced distracted driving and no-touch laws, typically done through stop sign violations or when an officer drove past a vehicle or when the officer was stationary, which required the officer to be stationary for a certain amount of time. Clarified the data points for the number of citations issued over the past six months for such violations were not available at this time. (Mayor Sasai)
- Clarified expired registration and speed violation citations, as shown in the PowerPoint presentation, and explained the ability to cite for speeding violations required officers to be trained in equipment use. The Police Department was undertrained and underequipped to cite for speeding violations. Clarified Traffic Officer Eubanks had been out for some of the reporting period, and for the next report Officer Eubanks would likely be present for the full reporting period and hopefully more officers would be trained in the required equipment, resulting in more speed citations. (Mayor Sasai)
- Clarified one Traffic Officer was trained in the use of the LIDAR hand-held device used to track the speed of vehicles. There had been a focus on San Pablo Avenue since there was a specific Vehicle Code violation for speeding in downtowns (25 MPH in all business districts in all cities), and since the City had recently reduced the speed limit on San Pablo Avenue. (Mayor Sasai)

- There had also been a focus in areas where collisions occurred, as reflected on the Heat Map, including all of the main thoroughfares in Pinole, which the Traffic Officer patrolled for moving violations such as speed, distracted driving or red-light violations, all major collision factors. (Mayor Sasai)
- Acknowledged additional speed limit signs were needed eastbound on San Pablo Avenue since those signs were currently few and far between at Pinole Shores Drive heading into the City, with numerous 25 MPH signs on the north shoulder of San Pablo Avenue towards the City of San Pablo. Clarified the reduction of the speed limit on San Pablo Avenue eastbound from Pinole Shores Drive to Sunnyview, and acknowledged it was important to enforce the speed limit given the new veterans and senior housing developments in the area. (Mayor Sasai)
- Acknowledged concern with the speed of traffic in the community, particularly on the major corridors and acknowledged support for speed cameras. Clarified the LIDAR equipment was limited in terms of capacity, with limited training opportunities available per year and providing two to three more officers training in the use of LIDAR was preferred. (Mayor Sasai)
- Acknowledged new vehicles and electric vehicles (EVs) easily went faster and drivers should be cognizant of that and encourage everyone to pay attention to their speed, and to have the ability for drivers to slow down naturally was important. (Martinez-Rubin and Mayor Sasai)

PUBLIC COMMENTS OPENED

Deputy City Clerk Stone reported there were no comments from the public.

PUBLIC COMMENTS CLOSED

Mayor Sasai thanked staff for their hard work. He looked forward to future presentations.

2. Presentation on California Lineage-Based Reparations and the California Reparations Commission Recommendation

Mayor Sasai reported the presentation had been canceled since the presenter was no longer available. Staff was looking into possible dates for the presentation to be provided during the month of September.

9. 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 Regular City Council Meeting on July 1, 2025.

- B. Receive the June 28, 2025 – July 11, 2025 List of Warrants in the Amount of \$1,363,557.96, and the July 4, 2025 Payroll in the Amount of \$582,368.68.
- C. Resolution to Adopt Updated Citywide Records Retention Schedule. **Action: Adopt Resolution per Staff Recommendation. (Heather Bell)**
- D. Adopt a Resolution Approving a Memorandum of Understanding between the City of Pinole and the American Federation of State, County and Municipal Employees (AFSCME) Union Local 1 for the Period of July 1, 2025 – June 30, 2026. **Action: Adopt Resolution per Staff Recommendation (Stacy Shell)**
- E. Adopt a Resolution Approving a Memorandum of Understanding between the City of Pinole and the American Federation of State, County and Municipal Employees (AFSCME) Union Local 512 for the Period of July 1, 2025 – June 30, 2026. **Action: Adopt Resolution per Staff Recommendation (Stacy Shell)**
- F. A Resolution of the City Council of the City of Pinole Authorizing the Receipt and Expenditure of \$99,482.16 from the California Highway Patrol and the Cannabis Tax Fund Grant Program (CTFGP) #23421. **Action: Adopt Resolution per Staff Recommendation (Melissa Klawuhn)**
- G. Second Reading of an Ordinance Amending Pinole Municipal Code Chapter 10.40.040 “No Parking Areas Designated” to Include Restrictions Related to Parking Near Intersections in Compliance with AB 413 (“Daylighting Law”). **Action: Waive the Second Reading and Adopt an Ordinance (Eric Casher, Heba El-Guindy, Melissa Klawuhn)**
- H. Receive and File an Update on Climate Action and Adaptation Plan Building Energy Ordinances and Reach Codes. **Action: Receive Report (Lilly Whalen, Kapil Amin)**
- I. Fiscal Year (FY) 2025/26 Fourth Quarter Strategic Plan Status Report. **Action: Receive the Report (Kelcey Young)**
- J. Approval of Sixth Amendment to the Consulting Services Agreement with Gray-Bowen Scott for Additional Project Management Support Services for the San Pablo Avenue Bridge Replacement at the BNSF Railroad Project (Project No. RO1710). **Action: Adopt Resolution per Staff Recommendation. (Heba El-Guindy)**
- K. Receive Update on Capital Projects, Inspection and Permitting and Maintenance. **Action: Receive Report (Heba El-Guindy)**
- L. Approval of Agreement Between the City of Pinole and Spektren Engineering, Inc. for the Construction of the Sidewalk Rehabilitation Project (CIP Project No. RO2402). **Action: Adopt Resolution per Staff Recommendation (Heba El-Guindy)**

- M. Adopt a Resolution Authorizing the City of Pinole to Apply for the Land and Water Conservation Fund (LWCF) Program. **Action: Adopt Resolution per Staff Recommendation (Andrea Dwyer, Lilly Whalen)**

PUBLIC COMMENTS OPENED

Rafael Menis, offered the following comments on the Consent Calendar:

- Item 9C, expressed concern about the authority to revise the retention terms before documents were destroyed being shifted from a City Council decision to a staff level decision. While it may be a common practice in the state, given the Brown Act and accountability for policy decisions, such as what was kept, how long it was kept, should remain at the City Council level as a policy argument. Also expressed concern with the fact that deletion meant getting rid of physical files and destroying digital copies with no record unless someone had saved a copy elsewhere. Understood for some of the City committees there were longer durations for keeping things, such as the agenda packets for City Council and Planning Commission meetings (typically 15-years) but sometimes a review beyond that period was required. Pointed out that documents during the Great Recession would be deleted as part of this policy. Opposed Item 9C, and suggested in particular the agenda packets be kept in a digital format for a longer period of time for historical reference, as meetings minutes were kept permanently for historical reference, and shifting the discretion over which items to keep and the length to keep them and changing the authority from the City Council to a staff level decision was not the correct way to go.
- Item 9D, was happy the City managed to mutually agree with the bargaining units discussed in the memorandums that there would be a retiree/medical committee to explore more sustainable plan options, with one of the major fiscal risks the City would face over the years being the inevitable rise in retiree health care contributions given current obligations. Pleased the City and the unions were starting to properly consider this problem now.
- Item 9I, noted some of the in-progress items were marked in yellow and some in green, including items that had been completed but were still in-progress and offered examples shown on Pages 435 and 441 of 533 of the agenda packet. It was unclear whether there were typographical errors when the yellow or green color was used, and asked for clarification whether there was a deeper meaning when each color was used.
- Item 9M, pleased the City was applying for the grant to potentially fund renovations for the caretaker's house and dog park, a particular point of concern for several community members and hoped the grant application was successful.

PUBLIC COMMENTS CLOSED

Council member Toms asked for a response to comments made regarding Item 9C.

City Clerk Bell understood the concerns with Item 9C. She noted the staff report indicated the resolution, if adopted, could shift the authority from the City Council to staff to make updates to the retention schedule since a number of the changes made were legally mandated, and called for a signature by the City Clerk, City Attorney and City Manager, who could then make those updates without having to bring the full updates to the City Council. The City Council may evaluate that and if there was a desire that every update come to the City Council that could be done. This was more about efficiency and ensuring updates were being made in a more-timely way. Any significant update that would be more of a change to practice or that could be more controversial, or where the City Council may want to weigh-in, would come back to the City Council for further review.

City Clerk Bell added that keeping the agenda packets for a longer period of time as being possibly beneficial had been included on Page 66 of 533 of the agenda packet, under Records Retention Schedule: City Clerk, Retention No. CC-001, with the agenda packets to be kept permanently, and stored electronically. She would work with the speaker on any other additional questions and concerns related to the retention schedule.

ACTION: Motion by Council members Murphy/Martinez-Rubin to adopt Consent Calendar Items 9A through 9M, as shown.

Vote:	Passed	4-0-1
	Ayes:	Sasai, Martinez-Rubin, Murphy, Toms
	Noes:	None
	Abstain:	None
	Absent:	Tave

10. PUBLIC HEARINGS

- A.** Conduct a Public Hearing and Adopt a Resolution Approving the Issuance of the California Municipal Finance Authority Qualified 501 (C)(3) Bonds in an Aggregate Principal Amount Not to Exceed \$65,000,000 for the Purpose of Financing or Refinancing the Acquisition, Rehabilitation, Improvement, and Equipping of Bayside Apartment Homes and Certain Other Matters Related Thereto. **Action: Conduct a Public Hearing and Adopt Resolution per Staff Recommendation (Lilly Whalen)**

Community Development Director Lilly Whalen presented the staff report dated July 15, 2025. She recommended the City Council take the following actions:

- 1) Conduct the public hearing under the requirements of Tax and Equity Fiscal Responsibility Act ("TEFRA") and the Internal Revenue Code of 1986, as amended (the "Code"), and
- 2) Adopt the Resolution (Attachment A) approving the issuance of the Bonds by the California Municipal Financing Authority ("CMFA") for the benefit of Step Up Housing, a California nonprofit public benefit corporation through a special purpose entity (together, the "Borrower"), to provide for the financing of the Project.

Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code and the California Government Code Section 6500 (and following).

Responding to Council members Martinez-Rubin and Toms, Community Development Director Whalen clarified that all of the units in the Bayside Apartment Homes were currently market rate, with a covenant that expired in 2018, and all units were to be affordable. She stated the borrower could clarify further, if needed.

PUBLIC HEARING OPENED

Chris Palomo, Senior Field Representative, Northern California Carpenter's Union, Local 152, Martinez, and representing Contra Costa County, asked whether the financing would include labor standards attached to the project. He emphasized that housing was critical and needed, but not at the expense of workers. Projects like Bayside Apartments should be built by workers being paid prevailing wages, provided health care, being trade trained through state certified apprenticeship programs and protected by enforceable labor standards. Absent those standards, they risk seeing tax advanced projects being built by low road contractors using unskilled and underpaid labor, with no investment in the workforce of long-term economic stability. He cited the SAHA project as a prime example, with the general contractor/developer for the project involved in an active and ongoing labor dispute with Local 152, having used subcontractors with one involved in a class action lawsuit regarding payment of overtime, not being paid correct wages, working through breaks and other violations. With no labor standards in housing projects, which was seen often, those projects become crime scenes and he did not want to see that happen to Pinole. He asked that labor standards be attached to the project as opposed to exploiting the workforce that lived in Pinole.

PUBLIC HEARING CLOSED

Ben Barker, Financial Advisor, California Municipal Finance Authority (CMFA), explained this was an existing project. Any prevailing or union labor required would be used on the project but there would be no substantial rehabilitation taking place on the project as there would be with the SAHA project or new construction projects. He clarified the units would be 100 percent affordable and under the federal tax code, 60 percent of the units would be at 40 percent Area Median Income (AMI) or 20 percent of the units at 50 percent AMI. In this case, there would be a mix of units from 60 to up to 80 percent AMI.

Council member Martinez-Rubin understood no substantial rehabilitation would take place, and Mr. Barker clarified that meant building new roofs, new units as an example, which would require in some cases union or prevailing wages. Once the property was purchased, the property owner would have to go through the site and determine what needed to happen on the project.

Council member Martinez-Rubin referenced the \$65 million in financing and questioned the statement that no substantial rehabilitation would be involved.

Mr. Barker clarified that substantial rehabilitation in this case was a technical term as opposed to what would be considered a lot of rehab.

Michael Potter, Chairman of the Board, Step Up Housing, an organization formed in 2021 to create and preserve affordable housing, commented that the CMFA bonds of \$65 million was the outside limit with respect to the actual bond issuance, which was closer to \$50 million of which a large portion would go to the purchase price. The remainder would be used for reserves being held with respect to payment of debt and ensuring future capital improvements that needed to be done, such as roof replacement. A lot of the money would not be spent. There were plans to make \$3 million in improvements, with much of those improvements to go towards renovating certain units, addressing problems with asphalt and some of the rails or balconies may need replacement, as examples, which added up quickly, and they asked for the bonds and borrowed the money and set that in reserves to pay for those things.

Mr. Potter also clarified that 75 percent of the project would be restricted units. Of that 75 percent, the plan was to have 20 percent of the units restricted with respect to tenant's making 50 percent AMI (also a rent restriction) and another 55 percent for tenants at 80 percent AMI, both for rent and income restrictions, all together representing 75 percent of the project.

Council member Murphy found this was a great project but asked for more clarity on how the \$65 million would be broken down.

Mr. Potter reiterated the resolution was up to \$65 million, the actual amount would be \$49.2 million, and of that amount \$39.9 million would be put towards the actual purchase price, payment of the closing costs, title insurance, lawyers for bond execution, and payment to an investment banker. He stated enough funds would be borrowed to set up reserves, some of which would never be spent, but put into an investment account and held as additional collateral with respect to the bonds. The bonds were a loan and the loans were presold through the capital markets.

In response to the concerns with quality and fair labor standards, Mr. Potter introduced his Asset Manager David Feinberg, Managing Partner, Sack Capital Partners. He also clarified that Step Up Housing was not a developer but a non-profit owner of affordable housing.

David Feinberg, Managing Partner, Sack Capital Partners, clarified in terms of fair labor that there would not be a large renovation of the project in that the renovation estimated at \$3 million would be spread out over 10-years, as needed, with no major projects at the front. Sack Capital would work with qualified labor and was the owner of 3,000 apartments along the West Coast. He was not the expert on the capital improvement team, but stated qualified fair labor would be used, there was open bidding, and this would not be a large renovation with the projects done using local general contractor partners. Ensuring fair labor standards for the project would also involve verification that the contractors were bonded.

Mr. Barker detailed the requirements when using prevailing wage and union labor on affordable housing projects, stated the project did not qualify under that blanket umbrella since it was not new construction or being constructed, and the renovation to be done was described as small carpentry work, small renovations and would not qualify under union/prevailing wages, but more like handyman work on-site for the project.

Council member Martinez-Rubin again asked for clarification of the financing and commented that in 2025, the AMI for a family of four in Contra Costa County was \$159,800. She asked if that meant 20 percent of the units would be 50 percent AMI and for families of four, there would have to be an income up to \$79,900.

Mr. Barker commented the Department of Housing and Urban Development (HUD) published the AMI numbers every year, with tract numbers published yearly, determining the affordability levels. There would be a regulatory agreement recorded on the property, which would codify specific units and the AMI levels in those units. The AMI levels would be determined by 2025 figures, with the rent calculated each year by HUD. New rent levels were provided each year.

ACTION: Motion by Council member Toms/Mayor Sasai to Adopt a Resolution approving the issuance of the Bonds by the California Municipal Financing Authority ("CMFA") for the benefit of Step Up Housing, a California nonprofit public benefit corporation through a special purpose entity (together, the "Borrower"), to provide for the financing of the Project. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code and the California Government Code Section 6500 (and following).

Vote:	Passed	4-0-1
	Ayes:	Sasai, Martinez-Rubin, Murphy, Toms
	Noes:	None
	Abstain:	None
	Absent:	Tave

11. **OLD BUSINESS:** None

12. **NEW BUSINESS:** None

13. **CITIZENS TO BE HEARD (Continued from Item 6)** (Public Comments)

Only open to members of the public who did not speak under the first Citizens to be Heard, Agenda Item 6.

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. Individuals may not share or offer time to another speaker. 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.*

Rafael Menis, reported on the current COVID-19 rate in the state and in the region, which had leveled off, was at moderate levels, but with one instance of a very high level in a nearby wastewater treatment plant. He continued to urge people to wear masks in crowded indoor areas and get a booster shot, if available. He also reported there would be a protest on the overpass between Appian and I-80 on July 17, 2025 from 5:00 to 6:15 p.m. in honor of the late John Lewis, titled Good Trouble Lives On, with more information and sign-ups available at mobilize.us. He added that during the prior City Council meeting he had wished everyone a Happy Fourth of July but had not gone into depth why. He emphasized the importance to remember the words of the Declaration of Independence, why America had declared independence and he read into the record most of the language in the Declaration of Independence at this time.

14. ADJOURNMENT to the Regular Meeting of September 2, 2025 in Remembrance of Amber Swartz.

At 7:42 p.m., Mayor Sasai adjourned the meeting to a Regular City Council Meeting on September 2, 2025 in Remembrance of Amber Swartz.

Submitted by:



Heather Bell, CMC

City Clerk

Approved by City Council: September 2, 2025

