



**SAN RAFAEL CITY COUNCIL – MONDAY, AUGUST 5, 2019**

**SPECIAL MEETING @ 5:30PM  
CITY MANAGER'S CONFERENCE ROOM, CITY HALL  
1400 FIFTH AVENUE, SAN RAFAEL, CALIFORNIA**

**1. ADA Access Advisory Committee Interviews**

Interviews of Applicants and Consideration of Appointments to Fill Three Four-Year Terms on the San Rafael ADA Access Advisory Committee to the End of October 2022, Due to the Expiration of Terms of Frederic Divine, Rob Simon and the Resignation of Brooklyn Rodden (CC)

*Recommended Action – Interview applicants and make appointments*

**REGULAR MEETING  
COUNCIL CHAMBERS, CITY HALL  
1400 FIFTH AVENUE, SAN RAFAEL, CALIFORNIA**

**AGENDA**

**OPEN SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL**

1. None.

**CLOSED SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL**

2. Closed Session: - None.

**OPEN TIME FOR PUBLIC EXPRESSION – 7:00 PM**

The public is welcome to address the City Council at this time on matters not on the agenda that are within its jurisdiction. Please be advised that pursuant to Government Code Section 54954.2, the City Council is not permitted to discuss or take action on any matter not on the agenda unless it determines that an emergency exists, or that there is a need to take immediate action which arose following posting of the agenda. Comments may be no longer than two minutes and should be respectful to the community.

**CITY MANAGER'S REPORT:**

3. City Manager's Report:

**CONSENT CALENDAR:**

The opportunity for public comment on consent calendar items will occur prior to the City Council's vote on the Consent Calendar. The City Council may approve the entire consent calendar with one action. In the alternative, items on the Consent Calendar may be removed by any City Council or staff member, for separate discussion and vote.

4. Consent Calendar Items:

- a. **Approval of Minutes**

- Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, July 15, 2019 (CC)

- Recommended Action – Approve as submitted*

**b. Park and Recreation Commission Vacancies**

Call for Applications to Fill Two Four-Year Terms to the End of October 2023 and One Unexpired Four-Year Term to the End of May 2022, on the Park and Recreation Commission Due to the Expiration of Terms of Mark Bustillos and Mark Machado and the Resignation of Nicholas Skewes-Cox (CC)

*Recommended Action - Approve staff recommendation*

**c. City Quarterly Investment Report**

Acceptance of City Quarterly Investment Report for the Quarter Ending June 30, 2019 (Fin)

*Recommended Action - Accept report*

**d. Lincoln Avenue Curb Ramps Project Engineering Design Services**

Resolution Approving and Authorizing the City Manager to Execute a First Amendment to the Agreement with BKF Engineers for Engineering Design Services Associated with the Lincoln Avenue Curb Ramps Project, In the Amount of \$56,800, for a Total Contract Not-to-Exceed Amount of \$177,350 (PW)

*Recommended Action - Adopt Resolution*

**e. Grand Avenue Pathway Connector Project Completion**

Accept Completion of the Grand Avenue Pathway Connector Project (City Project No. 11173) and Authorize the City Clerk to File the Notice of Completion (PW)

*Recommended Action - Accept report*

**OTHER AGENDA ITEMS:**

**5. Other Agenda Items:**

**a. Retirement Benefit Report**

Accept Informational Report Relating to the San Rafael 2019 Independent Committee on Employee Retirement Benefits' Report Dated June 20, 2019 (Fin)

*Recommended Action - Accept report*

**b. Short-Term Rentals**

Accept Informational Report on Short-Term Rental Policy Analysis, Community Outreach, and Draft Ordinance (CD)

*Recommended Action - Accept report*

**c. Digital Strategic Framework**

Accept Informational Report and Provide Feedback on the Draft Strategic Framework for the Department of Digital Service and Open Government (DS)

*Recommended Action - Accept report*

**d. Grand Jury Report: "School Resource Officers"**

Resolution Approving and Authorizing the Mayor to Execute the Response to the Marin County Civil Grand Jury Report Entitled, "School Resource Officers Revisited" (PD)

*Recommended Action - Adopt Resolution*



**COUNCILMEMBER REPORTS / REQUESTS FOR FUTURE AGENDA ITEMS:**  
(including AB 1234 Reports on Meetings and Conferences Attended at City Expense)

6. Councilmember Reports:

**SAN RAFAEL SUCCESSOR AGENCY:**

1. Consent Calendar:

a. **Successor Agency Quarterly Investment Report**

Acceptance of Successor Agency Quarterly Investment Report for the Quarter Ending June 30, 2019 (Fin)

*Recommended Action – Accept report*

**ADJOURNMENT:**

*Any records relating to an agenda item, received by a majority or more of the Council less than 72 hours before the meeting, shall be available for inspection in the City Clerk's Office, Room 209, 1400 Fifth Avenue, and placed with other agenda-related materials on the table in front of the Council Chamber prior to the meeting. Sign Language interpreters and assistive listening devices may be requested by calling (415) 485-3066 (voice), emailing [Lindsay.lara@cityofsanrafael.org](mailto:Lindsay.lara@cityofsanrafael.org) or using the California Telecommunications Relay Service by dialing "711", at least 72 hours in advance of the meeting. Copies of documents are available in accessible formats upon request. Public transportation is available through Golden Gate Transit, Line 22 or 23. Paratransit is available by calling Whistlestop. Wheels at (415) 454-0964. To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting/hearing, individuals are requested to refrain from wearing scented products.*



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: City Clerk**

**Prepared by: Lindsay Lara, City Clerk**

**City Manager Approval:** 

**TOPIC: ADA Access Advisory Committee Interviews**

**SUBJECT: INTERVIEWS OF APPLICANTS AND CONSIDERATION OF APPOINTMENTS TO FILL THREE FOUR-YEAR TERMS ON THE SAN RAFAEL ADA ACCESS ADVISORY COMMITTEE TO THE END OF OCTOBER 2022, DUE TO THE EXPIRATION OF TERMS OF FREDERIC DIVINE, ROB SIMON, AND THE RESIGNATION OF BROOKLYN RODDEN**

**RECOMMENDATION:**

Interview the following applicants and appoint applicants to fill three four-year terms on the ADA Access Advisory Committee, with a term to expire the end of October 2022:

Name	Name
Andrew Cullen	Michael Farris
Dianne Wolfe	Ross Elkins
Fredrick Divine	Timothy Lord
John Erdmann	Timothy Park

**BACKGROUND:**

On [September 4, 2018](#), the City Council called for applications to fill four four-year terms on the ADA Access Advisory Committee due to the expired terms of Fredric Divine, Eric Holm, Gladys Gilliland and Rob Simon, and nine (9) applications were received. Subsequent to the Call for Applications, Committee member Brooklynn Rodden resigned and interviews for the vacancies were not scheduled because the ADA Access Advisory Committee was in the process of changing their bylaws and scope. On [June 3, 2019](#), the City Council adopted a resolution repealing Resolution 12851 and establishing new bylaws for the ADA Access Advisory Committee, as well as released a Call for Applications to fill three four-year terms to the end of October 2022 as a second recruitment due to the new scope of the Committee. Eleven (11) applications were received in the City Clerk’s Office by the deadline of Tuesday, June 25, 2019. However, three candidates withdrew their applications.

**COMMUNITY OUTREACH:**

The call for applications for ADA Access Advisory Committee was advertised in Snapshot (the City Manager’s e-newsletter), the City website, Nextdoor, and Facebook social media platforms.

**FISCAL IMPACT:** There is no fiscal impact associated with this action.

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**FOR CITY CLERK ONLY**

**File Number:**

**Council Meeting:**

**Disposition:**

**RECOMMENDED ACTION:** Interview applicants and make appointments.

**ATTACHMENTS:**

1. Eight (8) applications
2. ADA Access Advisory Committee Bylaws

**Profile**

Question applies to ADA Access Advisory Committee, Citizens Advisory Committee on Economic Development & Affordable Housing

**ADA Advisory Committee:** The deadline for filing applications is **Tuesday, June 25, 2019 at 5:00 p.m.** in the City Clerk's Office.

**CAC Advisory Committee:** The deadline for filing applications is **Tuesday, July 9, 2019 at 5:00 p.m.** in the City Clerk's Office.

Andrew \_\_\_\_\_ J \_\_\_\_\_ Cullen \_\_\_\_\_  
First Name Middle Initial Last Name

**Which Boards would you like to apply for?**

ADA Access Advisory Committee: Submitted

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite or Apt

San Rafael \_\_\_\_\_ CA \_\_\_\_\_ 94901 \_\_\_\_\_  
City State Postal Code

**Are you a resident of San Rafael**

Yes  No

14 \_\_\_\_\_  
Resident of the City of San Rafael for how many years?

\_\_\_\_\_  
Primary Phone

\_\_\_\_\_  
Alternate Phone

Lawrence Berkeley National \_\_\_\_\_ Environment, Health and Safety \_\_\_\_\_  
Laboratory Professional  
Employer Job Title

**Business Address**

\_\_\_\_\_

**How did you learn about this vacancy? \***

Other

**Interests & Experiences**

**Do you participate in any civic activities?**

I participate in bicycle and pedestrian civic activities through the Marin County Cycle Coalition (MCBC) to increase accessibility and safety.

List any civic organizations of which you are a member:

MCBC

Education:

UC Berkeley, B.S. Chemistry, 2013 UC Berkeley, M.P.H. 2018-Present

Why are you interested in serving on a board or commission?

I grew up in San Rafael and plan to reside in the city foreseeable future. I have a deep interest in making San Rafael the best that it can be. My studies in public health program at UC Berkeley has engaged me in many areas of community health and built environment. I am interested in serving on the ADA Advisory Committee to implement solutions that improve San Rafael's accessibility to the largest minority and that meet compliance requirements (DOJ/ADA). I have the skills to and experience to make a difference in my city and I want to be involved. As an Environment, Health and Safety professional at Berkeley Lab, I am passionate about creating a safe work place and protecting the environment. In working for a compliance driven department within the Department of Energy, I have repeatedly collaborated with stakeholders to develop solutions that enables world-class science while meeting regulatory requirements.

Question applies to ADA Access Advisory Committee

Please describe your involvement with the disabled community in San Rafael:

I do not have any involvement currently with the disabled community in San Rafael.

Question applies to ADA Access Advisory Committee

If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?

None.

Question applies to ADA Access Advisory Committee

Do you officially represent an organization, agency, or group with services for people with disabilities?

Yes  No

Question applies to ADA Access Advisory Committee

If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:

N/A.

Describe possible areas in which you may have a conflict of interest with the City:

None.

[Andrew Cullen Resume\\_061919.pdf](#)

Upload a Resume

**Demographics (Optional)**

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

**Ethnicity:**

---

**To which gender to your most identify?**

---



**How old are you?**

---



# ANDREW CULLEN

## CONTACT



Tel: [REDACTED]



[REDACTED]



Linkedin.com/andrew-cullen



[REDACTED]  
San Rafael, CA, 94901

## Certifications

**CHMM, 2018-Present**

Certified Hazardous Materials Manager

**ASP, 2019-Present**

Associate Safety Professional

## Training

- OSHA 40-Hour HAZWOPER
- DOT Basic Awareness
- DOT Advance Radiation Shipper
- EPA RCRA/CWA/CAA
- CA Title 22/HSC
- IATA

## Skills and Abilities

- Project Management
- Program Development/Implementation
- Research Methods
- Waste Management Regulations
- Chemistry, Statistics and Public Health
- Written and Oral Communication
- Self-Motivated and Independent
- Collaborative with Diverse Groups
- Resourceful

## PUBLICATIONS

Peyton Shieh, M. Sloan Siegrist, **Andrew J. Cullen**, and Carolyn R. Bertozzi. "Imaging bacterial peptidoglycan with near-infrared fluorogenic azide probes" *Proceedings of the National Academy of Sciences U. S. A.* **2014**, *111*, 5456-6461.

## EDUCATION

**University of California, Berkeley**

School of Public Health

*Masters of Public Health, Environmental Health Sciences*

*Anticipated 2020*

**University of California, Berkeley**

College of Chemistry

*Bachelors of Science, Chemistry*

**2013**

## RELEVANT EXPERIENCE

**Waste Management Chemist**

**June 2018 - Present**

*Lawrence Berkeley National Laboratory*

- Provided guidance, direction and recommendations to research and operations personnel to improve safety and regulatory compliance of hazardous waste
- Developed close relationships with multi-disciplinary teams to support planning and implementing improvements to EH&S programs
- Identified and strengthened technical program areas to ensure compliance with applicable regulations and to reduce risk to the institution
- Classified and certified waste with the application of generator process knowledge to meet on-site and off-site TSDF WACs and DOT regulations
- Interpreted federal, state and local regulations applicable to waste management

**Chemistry Lab Technician**

**August 2016 – June 2018**

*College of Marin*

- Oversaw and strengthened EH&S procedures in chemistry teaching labs
- Optimized chemical inventories, safety inspections and labeling programs
- Projected and purchased supplies and equipment by managing a budget
- Strategized meeting program needs of students, faculty and staff

**Junior Research Specialist I**

**July 2013 – July 2014**

*University of California, Berkeley*

- Influenced and implemented new EH&S policies by participating in the Chemical Safety Committee
- Optimized EH&S controls in a research space that contained chemical, biological (BSL2), and radioactive hazards
- Oriented and oversaw training of new lab members in EH&S
- Conducted organic synthesis and biological labeling research under limited supervision and collaborated with a team of scientists
- Communicated research findings through written reports and presentations

**Undergraduate Researcher**

**August 2012 – July 2013**

*University of California, Berkeley*

- Invented a synthetic pathway for Si-Rhodamines and cyclooctynes for use in copper-free click labeling in bacterial and mammalian cells
- Analyzed data and constructed manuscripts to communicate results
- Publicized research results through poster and PowerPoint presentations

**Profile**

Question applies to ADA Access Advisory Committee, Citizens Advisory Committee on Economic Development & Affordable Housing

**ADA Advisory Committee:** The deadline for filing applications is **Tuesday, June 25, 2019 at 5:00 p.m.** in the City Clerk's Office.

**CAC Advisory Committee:** The deadline for filing applications is **Tuesday, July 9, 2019 at 5:00 p.m.** in the City Clerk's Office.

Dianne \_\_\_\_\_ L \_\_\_\_\_ Wolfe \_\_\_\_\_  
First Name Middle Initial Last Name

**Which Boards would you like to apply for?**

ADA Access Advisory Committee: Submitted

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite or Apt

San Rafael \_\_\_\_\_  
City

CA \_\_\_\_\_  
State

94903 \_\_\_\_\_  
Postal Code

**Are you a resident of San Rafael**

Yes  No

7 years \_\_\_\_\_  
Resident of the City of San Rafael for how many years?

\_\_\_\_\_  
Primary Phone

\_\_\_\_\_  
Alternate Phone

RestoreRehab \_\_\_\_\_  
Employer

Medical Case Manager \_\_\_\_\_  
Job Title

**Business Address**

\_\_\_\_\_

**How did you learn about this vacancy? \***

NextDoor

**Interests & Experiences**

**Do you participate in any civic activities?**

No



List any civic organizations of which you are a member:

---

No

Education:

---

MS Health Service Adm and R.N.

Why are you interested in serving on a board or commission?

---

I would like to serve my community, particularly people with disabilities

Question applies to ADA Access Advisory Committee

Please describe your involvement with the disabled community in San Rafael:

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I am a Registered nurse and have provided training to medical staff, law enforcement and attorneys on the needs of individuals with disabilities for many years. I work with many individuals with disabilities in San Rafael and throughout the Bay Area.

Question applies to ADA Access Advisory Committee

If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?

---

I do not currently require any accommodations.

Question applies to ADA Access Advisory Committee

Do you officially represent an organization, agency, or group with services for people with disabilities?

---

Yes  No

Question applies to ADA Access Advisory Committee

If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:

---

N/A

Describe possible areas in which you may have a conflict of interest with the City:

---

None

[Dianne Wolfe - Resume.docx](#)

Upload a Resume

---

## Demographics (Optional)

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

**Ethnicity:**

---

None Selected

**To which gender to your most identify?**

---

None Selected

**How old are you?**

---

None Selected

## Dianne Wolfe RN,MS

San Rafael, CA 94903

### Overview

Ms. Wolfe provides medical utilization review and case management services to self-administered employers, third-party administrators (TPAs), and insurance companies to coordinate and facilitate the expeditious restoration of health and maximum productivity of injured or ill employees covered by workers' compensation or group health.

She has experience working in healthcare with seniors and as a wellness director. She has extensive experience in curriculum development and teaching nationally for health and human services, law enforcement, attorneys, and managers. She also has training in emergency management and response.

Her specialties include curriculum development and training and disaster response and planning.

Her skills and areas of expertise include case management, clinical research, elder care, electronic medical records (EMR), health care management, health education, home care, hospitals, managed care, Medicaid, Medicare, mental health, nursing, quality improvement, social services, training, and wellness.

Her previous experience includes:

- Director of Clinical Services, Brightstar Home Care, Mill Valley CA, March 2013 to December 2014
  - Supervision of care staff, assessment of new home care clients, supervision of clinical staff.
  - Coordination of care with family and outside agencies
  - Training and course development for agency staff.
- Care Manager, Nurse Support, San Francisco Health Plan, San Francisco CA, July 2011 to 2013
  - Case management telephonically to connect patients to providers
  - Outreach to agencies to coordinate services for patients.
- Owner / Trainer, Critical Focus, Muir Beach, CA, 1994 to 2012
  - Grant writing, training and course development
  - National and international training on a variety of topics to healthcare, attorneys, law enforcement professionals and mental health staff
- Health Care Director, Aldersly Retirement Community, San Rafael CA, April 2008 to October 2010
  - Management of healthcare of independent and assisted living residents.
  - Supervision of caregiving staff
  - Communication with physicians to assist in care of residents.
  - Training of staff throughout facility.
  - Medication management for residents.
- Clinical Director, Living Independently, San Francisco Bay Area CA, 2007 to 2008
  - Assisting in training of agency staff on use of safety equipment for assisted living facilities.
  - Coordinate installation of equipment in facilities
- Assistant Director of Nursing, Jewish Home, San Francisco CA, 2006 to 2007
  - Nursing supervision of staff of a 400 bed skilled nursing facility.
- Clinical Director, Center for Elders Independence, Oakland CA, 2005 to 2006
  - Supervision of clinical staff caring for seniors with multi-medical problems and socio-economic

### Qualifications

#### Licensing

- Registered Nurse (RN), CA 173657, expires 01/31/2020

#### Education

- MS, Health Service Administration, St. Mary's College of California, 1995

## Dianne Wolfe RN,MS

██████████.  
San Rafael, CA 94903  
██████████

- challenges.
- Supervision of medication management.
- Mental Health Liaison, Psych Liaison, San Francisco, CA, 1986 to 1992
  - Liaison between mental health department and San Francisco Police Department
  - Assistance in coordination of assessment of patients who were a danger to self or others and were in need of evaluation for hospitalization.
  - Training of staff throughout mental health and police department on dealing with individuals with mental illness.
  - Dignitary protection working with S.F.P.D.
- Psychiatric Nurse, City and County of S.F. 1976-1986
  - Crisis intervention, home visits, coordination of involuntary hospitalizations
  - One to one therapy and medication management

## Profile

### Which Boards would you like to apply for?

ADA Access Advisory Committee: Submitted

Fredric

First Name

Middle Initial

Divine

Last Name

[Redacted]

Email Address

[Redacted]

Street Address

Suite or Apt

San Rafael

City

CA

State

94901

Postal Code

[Redacted]

Resident of the City of San Rafael for how many years?

Business: [Redacted]

Primary Phone

Home: [Redacted]

Alternate Phone

self

Employer

architect

Job Title

### Business Address

1924 Fourth Street San Rafael, Ca. 94901

## Interests & Experiences

### Do you participate in any civic activities?

active in Chamber, many past city committees, non-profit work, rep payee for at least 14 SSA disabled folks

### List any civic organizations of which you are a member:

San Rafael Chamber of Commerce

**Education:**

---

B Arch, UC Berkeley, 1970 (five year program)

**Why are you interested in serving on a board or commission?**

---

ADA: because I have, I work with and know the issues as an architect, am very hard of hearing so get the issues personally, and work with (voluntarily) a number of disabled folks so am reminded of the importance

Question applies to ADA Access Advisory Committee

**Please describe your involvement with the disabled community in San Rafael:**

---

see above and I work with a lot of non-profits and have for years but am not directly involved: Ritter Center, Buckelew Programs, Homeward Bound, St. Vincent's Dining Hall, etc.

Question applies to ADA Access Advisory Committee

**If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?**

---

none

Question applies to ADA Access Advisory Committee

**Do you officially represent an organization, agency, or group with services for people with disabilities?**

---

Yes  No

Question applies to ADA Access Advisory Committee

**If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:**

---

no response is supposed to be required but I had to type this to submit!!!

**Describe possible areas in which you may have a conflict of interest with the City:**

---

none that I am aware of

---

Upload a Resume



**CITY OF SAN RAFAEL**

**APPLICATION TO SERVE AS MEMBER OF ADA ACCESS ADVISORY COMMITTEE**

NAME: John Erdmann

STREET ADDRESS: [REDACTED]

CITY/STATE/ZIP CODE: San Rafael CA 94903

RESIDENT OF THE CITY OF SAN RAFAEL FOR 47 YEARS

PRESENT WORK POSITION: Retired

NAME OF FIRM: \_\_\_\_\_

BUSINESS ADDRESS: \_\_\_\_\_

\* HOME & BUSINESS PHONE #'s: [REDACTED]

\* E-MAIL ADDRESS (optional): [REDACTED]

EDUCATION: BS Univ of Wisconsin - Chem Engrg

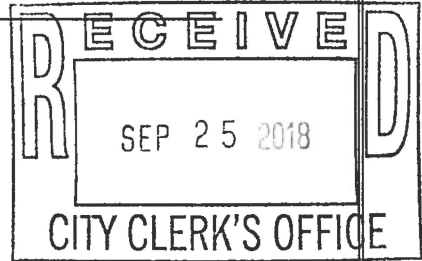
DESCRIBE YOUR INVOLVEMENT WITH THE DISABLED COMMUNITY IN SAN RAFAEL:

Currently an alternate member of ADA committee

DO YOU OFFICIALLY REPRESENT AN ORGANIZATION, AGENCY, OR GROUP WITH SERVICES FOR PEOPLE WITH DISABILITIES? YES \_\_\_\_\_ NO x

IF YES, PLEASE INDICATE THE NAME OF THE GROUP AND YOUR POSITION, AND ATTACH A LETTER OF REFERENCE:

DO YOU REPRESENT THE BUSINESS COMMUNITY? YES \_\_\_\_\_ NO x



IF YES, PLEASE INDICATE THE NAME OF THE BUSINESS AND YOUR POSITION:

N/A

YOUR REASONS FOR WANTING TO SERVE:

To hopefully give back something to the community

IF SELECTED TO SERVE, WHAT REASONABLE ACCOMMODATION REQUESTS SHOULD THE COMMITTEE FACILITATOR KNOW, IN ORDER FOR YOU TO FULLY PARTICIPATE?

None

DESCRIBE POSSIBLE AREAS IN WHICH YOU MAY HAVE A CONFLICT OF INTEREST WITH THE CITY:

None

SIGNATURE: John E. Robinson

DATE: 9/25/18

FILING DEADLINE:

MAIL OR DELIVER TO:

Date: Wednesday, September 26, 2018  
Time: 5:00 p.m.

City of San Rafael  
City Hall, Dept. of City Clerk  
1400 Fifth Avenue, Room 209





CITY OF SAN RAFAEL

APPLICATION TO SERVE AS MEMBER OF ADA ACCESS ADVISORY COMMITTEE

E C E

NAME: MICHAEL FARRIS

APR 17 2019

STREET ADDRESS:



CITY CLERK'S OFFICE

CITY/STATE/ZIP CODE: SAN RAFAEL, CA 94901

RESIDENT OF THE CITY OF SAN RAFAEL FOR 14 YEARS

PRESENT WORK POSITION: VERTICAL TRANSPORTATION CONSULTANT

NAME OF FIRM: VDA (Van Deusen & Associates)

BUSINESS ADDRESS: 1388 SUTTER STREET, S.F., CA 94109

\* HOME & BUSINESS PHONE #



\* E-MAIL ADDRESS (optional):

EDUCATION:

B.S. Business Admin, Cal Poly, S.L.O.

SRHS, DAVIDSON JR. HIGH, COLEMAN SCHOOL

DESCRIBE YOUR INVOLVEMENT WITH THE DISABLED COMMUNITY IN SAN RAFAEL:

MINOR INVOLVEMENT AS AN ELEVATOR CONSULTANT IN ASSISTED LIVING FACILITIES & HOSPITALS

DO YOU OFFICIALLY REPRESENT AN ORGANIZATION, AGENCY, OR GROUP WITH SERVICES FOR PEOPLE WITH DISABILITIES? YES X NO

IF YES, PLEASE INDICATE THE NAME OF THE GROUP AND YOUR POSITION, AND ATTACH A LETTER OF REFERENCE:

I AM THE WESTERN REGION V.P. AT VDA. HAVE BEEN DESIGNING ELEVATORS & PLATFORM LIFTS OVER 30 YEARS

DO YOU REPRESENT THE BUSINESS COMMUNITY? YES X NO

IF YES, PLEASE INDICATE THE NAME OF THE BUSINESS AND YOUR POSITION:

VDA

REGIONAL VICE PRESIDENT

YOUR REASONS FOR WANTING TO SERVE:

SAN RAFAEL IS MY HOME.  
THERE DOES NOT APPEAR TO BE AN ENFORCE-  
MENT AUTHORITY FOR DISABLED ACCESS ON  
ELEVATORS.

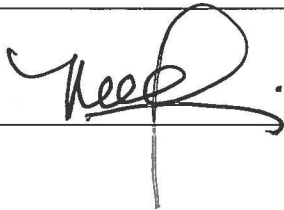
IF SELECTED TO SERVE, WHAT REASONABLE ACCOMMODATION REQUESTS SHOULD THE COMMITTEE FACILITATOR KNOW, IN ORDER FOR YOU TO FULLY PARTICIPATE?

NONE

DESCRIBE POSSIBLE AREAS IN WHICH YOU MAY HAVE A CONFLICT OF INTEREST WITH THE CITY:

S.R. MAY REQUIRE MY SERVICES IN CITY  
BUILDINGS

SIGNATURE:



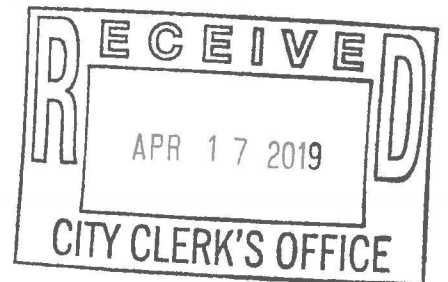
DATE:

1-29-19

MAIL OR DELIVER TO:

City of San Rafael  
City Hall, Dept. of City Clerk  
1400 Fifth Avenue, Room 209  
P.O. Box 151560  
San Rafael, CA 94915-1560

\*Information kept confidential to the extent permitted by law





**CITY OF SAN RAFAEL**

**APPLICATION TO SERVE AS MEMBER OF ADA ACCESS ADVISORY COMMITTEE**

NAME: MICHAEL D. FARRIS

STREET ADDRESS: [REDACTED]

CITY/STATE/ZIP CODE: SAN RAFAEL, CA 94901

RESIDENT OF THE CITY OF SAN RAFAEL FOR 20 YEARS

PRESENT WORK POSITION: VERTICAL TRANSPORTATION CONSULTANT

NAME OF FIRM: VAN DEUSEN & ASSOC (VDA)

BUSINESS ADDRESS: 1388 SUTTER #1008, S.F. CA 94109

\* HOME & BUSINESS PHONE #'s: [REDACTED]

\* E-MAIL ADDRESS (optional): [REDACTED]

EDUCATION: B.S. CAL POLY, San Luis Obispo

DESCRIBE YOUR INVOLVEMENT WITH THE DISABLED COMMUNITY IN SAN RAFAEL:

Nothing to date

DO YOU OFFICIALLY REPRESENT AN ORGANIZATION, AGENCY, OR GROUP WITH SERVICES FOR PEOPLE WITH DISABILITIES? YES X NO \_\_\_\_\_

IF YES, PLEASE INDICATE THE NAME OF THE GROUP AND YOUR POSITION, AND ATTACH A LETTER OF REFERENCE:

I am an elevator consultant. I design, specify, inspect and commission elevators, lifts, etc.

DO YOU REPRESENT THE BUSINESS COMMUNITY? YES \_\_\_\_\_ NO X

IF YES, PLEASE INDICATE THE NAME OF THE BUSINESS AND YOUR POSITION:

\_\_\_\_\_  
\_\_\_\_\_

YOUR REASONS FOR WANTING TO SERVE:

I love my community and feel I have something to offer

IF SELECTED TO SERVE, WHAT REASONABLE ACCOMMODATION REQUESTS SHOULD THE COMMITTEE FACILITATOR KNOW, IN ORDER FOR YOU TO FULLY PARTICIPATE?

NONE

DESCRIBE POSSIBLE AREAS IN WHICH YOU MAY HAVE A CONFLICT OF INTEREST WITH THE CITY:

I am the vertical transportation consultant on a few projects within the City of San Rafael. I do not see this as a conflict but some may.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

**MAIL OR DELIVER TO:**

City of San Rafael  
City Hall, Dept. of City Clerk  
1400 Fifth Avenue, Room 209  
P.O. Box 151560  
San Rafael, CA 94915-1560

\*Information kept confidential to the extent permitted by law

I have yet to see a disabled access inspector in San Rafael.

## Michael D. Farris, Vice President-West Coast Region



Mr. Farris has more than 35 years of professional experience in the design of elevator and escalator systems for new construction projects, new equipment in existing buildings, and the modernization of vertical transportation equipment.

His responsibilities include overall management and business development for the San Francisco office and Western United States. Additionally, he is responsible for vertical transportation design, development and coordination in both new and existing structures, including preparation of elevator systems' traffic analyses and design recommendations; construction drawings, specifications and construction phase services. Mr. Farris has been a Certified Elevator Inspector for over 20 years.

YEARS EXPERIENCE: 37  
WITH CURRENT FIRM: 5

### EDUCATION

- B.S. Business Administration California Polytechnic State University, San Luis Obispo, CA

### RELEVANT EXPERIENCE

The Presidio Building 105  
San Francisco, CA

Atascadero Library Building  
Atascadero, CA

Department of General Services Office  
Building, Sacramento, CA

Occidental Petroleum  
Center/Hammer Museum  
Los Angeles, CA

San Francisco OCME Facility  
San Francisco, CA

California Polytechnic State University  
Performing Arts Center  
San Luis Obispo, CA

Santa Rosa Charter School for the Arts  
Santa Rosa, CA

San Francisco State University - Ongoing  
Consulting Services, San Francisco, CA

UCSF Medical Center- Moffitt & Long  
Hospital, San Francisco, CA

University of San Francisco-Loyola House  
San Francisco, CA

LA City Hall Seismic Rehabilitation and  
Historic Restoration  
Los Angeles, CA

US Mint  
San Francisco, CA

County of San Luis Obispo PS# 1297  
San Luis Obispo, CA

Hilo Federal Building  
Hilo, HI

San Diego International Airport  
T2 Parking Plaza  
San Diego, CA

Maurice and Paul Marciano Art Foundatiior  
Los Angeles, CA

California Department of Corrections and  
Rehabilitation -Health Care Facility  
Improvement Project, Tracy, CA

Rosa Parks Senior Center  
San Francisco, CA

SFSU-Recreation and Wellness Center,  
San Francisco, CA

University of California, Davis - Sproul  
Hall, Davis, CA

Santa Ana Police Facility  
Santa Ana, CA

SOKA University  
Aliso Viejo, CA

**Profile**

Ross \_\_\_\_\_ Elkins \_\_\_\_\_  
First Name Middle Initial Last Name

**Which Boards would you like to apply for?**

ADA Access Advisory Committee: Submitted  
Bicycle & Pedestrian Advisory Committee: Submitted

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite or Apt

San Rafael \_\_\_\_\_  
City

CA \_\_\_\_\_  
State

94901 \_\_\_\_\_  
Postal Code

**Are you a resident of San Rafael**

Yes  No

44 years \_\_\_\_\_  
Resident of the City of San Rafael for how many years?

\_\_\_\_\_  
Primary Phone

\_\_\_\_\_  
Alternate Phone

retired \_\_\_\_\_  
Employer

Electrical/Computer Engineer,  
Auto shop teacher SRHS ROP,  
auto mechanic \_\_\_\_\_  
Job Title

**Business Address**

\_\_\_\_\_

**How did you learn about this vacancy? \***

None Selected

**Interests & Experiences**

**Do you participate in any civic activities?**

I participate in public reachout through my interest in Astronomy and investment in professional level equipment.

**List any civic organizations of which you are a member:**

Its a nice time to start now that I am retired.

**Education:**

---

ASEE electrical engineering

**Why are you interested in serving on a board or commission?**

---

So that I can help by giving back to my community

Question applies to ADA Access Advisory Committee

**Please describe your involvement with the disabled community in San Rafael:**

---

Ross My brother Dr. Alan Elkins was a paraplegic for many years so I learned a lot thru helping him and dealing with the issues personally. As a former auto mechanic, I met with local shops that specializes in handicapped equipment in order to learn about, install and repair the gear that made my brothers life easier, from wheelchairs to powered chairs, automotive hand controls, ramps, automated doors etc. My brother was a psychiatrist and we talked alot about the pressures, fears, the good and bad of living with a lifechanging incident.

Question applies to ADA Access Advisory Committee

**If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?**

---

n/a

Question applies to ADA Access Advisory Committee

**Do you officially represent an organization, agency, or group with services for people with disabilities?**

---

Yes  No

Question applies to ADA Access Advisory Committee

**If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:**

---

n/a

**Describe possible areas in which you may have a conflict of interest with the City:**

---

Cannot think of any.

[feb9\\_2018\\_SRCITY\\_APP.pages](#)

Upload a Resume

---

**Demographics (Optional)**

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

**Ethnicity:**

---

None Selected

**To which gender to your most identify?**

---

None Selected

**How old are you?**

---

None Selected



**Profile**

Timothy \_\_\_\_\_ R \_\_\_\_\_ Lord \_\_\_\_\_  
First Name Middle Initial Last Name

**Which Boards would you like to apply for?**

ADA Access Advisory Committee: Submitted

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite or Apt

san rafael \_\_\_\_\_  
City

CA \_\_\_\_\_  
State

94903 \_\_\_\_\_  
Postal Code

**Are you a resident of San Rafael**

Yes  No

20 years \_\_\_\_\_  
Resident of the City of San Rafael for how many years?

\_\_\_\_\_  
Primary Phone

\_\_\_\_\_  
Alternate Phone

TrueNorth Projects, LLC \_\_\_\_\_  
Employer

Counsel \_\_\_\_\_  
Job Title

**Business Address**

\_\_\_\_\_

**How did you learn about this vacancy? \***

None Selected

**Interests & Experiences**

**Do you participate in any civic activities?**

Little League and High School baseball Boards and field maintenance activities

**List any civic organizations of which you are a member:**

Dixie Terra Linda Little League Board (6 years); Member, Terra Linda High School Athletic Boosters (1 year)

**Education:**

---

Tulane Law School, Juris Doctor, 1992 University of California, Riverside, Bachelor of Science, Economics, 1988

**Why are you interested in serving on a board or commission?**

---

Provide assistance to the City in in compliance with ADA

Question applies to ADA Access Advisory Committee

**Please describe your involvement with the disabled community in San Rafael:**

---

Personal experience with neighbor who has a disabled daughter.

Question applies to ADA Access Advisory Committee

**If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?**

---

None

Question applies to ADA Access Advisory Committee

**Do you officially represent an organization, agency, or group with services for people with disabilities?**

---

Yes  No

Question applies to ADA Access Advisory Committee

**If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:**

---

n/a

**Describe possible areas in which you may have a conflict of interest with the City:**

---

None

[Resume of Timothy R Lord Esq..pdf](#)

Upload a Resume

---

**Demographics (Optional)**

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

**Ethnicity:**

---

None Selected

**To which gender to your most identify?**

---

None Selected

**How old are you?**

---

None Selected



**Profile**

Timothy \_\_\_\_\_ Park \_\_\_\_\_  
First Name Middle Initial Last Name

**Which Boards would you like to apply for?**

ADA Access Advisory Committee: Submitted

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Suite or Apt

San Rafael \_\_\_\_\_  
City

CA \_\_\_\_\_  
State

94903 \_\_\_\_\_  
Postal Code

**Are you a resident of San Rafael**

Yes  No

94903 \_\_\_\_\_  
Resident of the City of San Rafael for how many years?

\_\_\_\_\_  
Primary Phone

\_\_\_\_\_  
Alternate Phone

Marin Ventures \_\_\_\_\_  
Employer

Creative Arts Director \_\_\_\_\_  
Job Title

**Business Address**

\_\_\_\_\_

**How did you learn about this vacancy? \***

None Selected

**Interests & Experiences**

**Do you participate in any civic activities?**

local game nights, city council meetings, volunteering with Red Cross, at the Food Bank attend farmer's market, run and participate in art shows, Friday Night Art Walk

**List any civic organizations of which you are a member:**

American Red Cross Sea Shepherd Conservation Society Veterans for Peace Iraq and Afghanistan Veterans of America Sierra Club

**Education:**

---

Bachelors in Fine Art from Arkansas Tech University

**Why are you interested in serving on a board or commission?**

---

Representing the needs and concerns of myself, my clients, and other disabled members of the community.

Question applies to ADA Access Advisory Committee

**Please describe your involvement with the disabled community in San Rafael:**

---

I work daily with developmentally and intellectually disabled adults with mild to grave physical disabilities in a day program in San Rafael, and I am myself a disabled veteran living in San Rafael.

Question applies to ADA Access Advisory Committee

**If selected to serve, what reasonable accommodation requests should the committee facilitator know in order for you to fully participate?**

---

No accommodations needed at this time.

Question applies to ADA Access Advisory Committee

**Do you officially represent an organization, agency, or group with services for people with disabilities?**

---

Yes  No

Question applies to ADA Access Advisory Committee

**If Yes to the question above, please indicate the name of the group and your position, and attach a letter of reference:**

---

Marin Ventures I don't see an option for attaching a letter of reference. I will request one and have it mailed.

**Describe possible areas in which you may have a conflict of interest with the City:**

---

I can't see any, except if the City making choices that went counter to the interests of the disabled.

[Resume05122016.docx](#)

Upload a Resume

---

**Demographics (Optional)**

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

**Ethnicity:**

---

None Selected

**To which gender to your most identify?**

---

None Selected

**How old are you?**

---

None Selected

Timothy D. Park

[REDACTED], San Rafael, CA 94903

[REDACTED]

[REDACTED]

## QUALIFICATIONS

I am a fine artist and illustrator with experience working with all traditional media as well as various digital media, and am adept at moving back and forth between them as needed. I have experience in graphic design, logo design, storyboarding, concept art and other areas of visual design. For the last 15 years, I have also instructed art to intellectually disabled adults and, less frequently, high school student. I am technically literate, able to work with most office software, and able to rapidly pick up what I do not already know as the mission requires.

## EDUCATION

B.A. Fine Art, Emphasis on painting and sculpture, Arkansas Tech University, Russellville, AR, 1997

## EXPERIENCE

Art Studio Director, Marin Ventures, 2014 - present

Duties include facilitating and instructing art classes for developmentally disabled adults with mental illness, managing The Arc-Solano's gallery space, representing the Art@Arc consumer-artists to other galleries, shows and competitions, grant-writing and other fund raising, creation and support of a web presence for The Arc-Solano and the Art@Arc program, and general technical support for The Arc-Solano.

Studio Director, Entertaining Arts Studios, 1999-present

Freelance graphic design and illustration using traditional 2D media as well as Photoshop, Illustrator, Flash, Premiere Pro, After Effects and other software. Duties include storyboard illustration, character design, concept art, set and prop design, scene layout, illustration, pre-visualization of product, web design, logo design, animation, cover design, t-shirt and other clothing design.

Studio Director, Art@Arc, The Arc-Solano 2002-2014

Duties include facilitating and instructing art classes for developmentally disabled adults with mental illness, managing The Arc-Solano's gallery space, representing the Art@Arc consumer-artists to other galleries, shows and competitions, grant-writing and other fund raising, creation and support of a web presence for The Arc-Solano and the Art@Arc program, and general technical support for The Arc-Solano.

Production Specialist, IMC Studios Incorporated 1999-2002

Duties included: web design and maintenance, graphic design for print and web, animation for video and web, character design, scene design, storyboarding, videography and video and audio editing.

Member, Board of Directors, Arkansas River Valley Arts Center 1998-2002



United States Army. Construction Equipment Repair and Maintenance 1987-1992  
Gulf War veteran.

#### EXHIBITS

Collegiate Competition, May 1995, Arkansas River Valley Arts Center  
1995 Retrospective, December 1995, Arkansas River Valley Arts Center  
Christmas Feast Fundraising Auction, December 1995, Arkansas River Valley Arts Center  
Collegiate Competition, May 1996, Arkansas River Valley Arts Center  
Collegiate Competition, March 1997, Arkansas River Valley Arts Center  
Senior Art Exhibit, April 1997, Arkansas Tech University  
Annual Invitational, 1997, Arkansas River Valley Arts Center  
Myth and Mystery Invitational, September 1998, Arkansas River Valley Arts Center  
Visions, Dreams & Reflections Invitational, August 1999, Arkansas River Valley Arts Center  
Figure Drawing Retrospective, 1999, Arkansas River Valley Arts Center  
Annual Invitational, 2000, Arkansas River Valley Arts Center  
Art in the Family retrospective, March 2006, Arkansas Tech University.  
Invitational, 2007, Arts Benicia.  
The Arc-Solano, Teacher and Students, August 2009, The Arc-Solano.

#### PUBLICATIONS

Illustrator, Joseph Shmitz's *Mystery Of The Bell Tower*, 2014.  
Storyboards for action and dance sequences, *Stomp The Yard II*, 2010.  
Illustrator and Graphic Design, Vallejo Rugby Tournament promotions, October 2009.  
Illustrator, San Rafael Friends of the Library event promotion, September 2009.  
Storyboards, The Georgia Lottery and Atlanta Falcon's \$500,000 Kickoff, September 2009.  
Illustrator, Mary-Elizabeth's *The Morningstar Stone: The Forest of the Ancients*, iUniverse Press, 2009.  
CD cover, Simple Syrup's self-titled album, 2009.  
CD cover, Excuse The Blood's self-titled album, 2009.  
Storyboards, TBS's *Meet The Browns* commercials, 2009.  
Illustrator and book design, *Lizzie Gets A Front Row Seat: 100 Years Ago In San Rafael*, January 2009.  
Website, Chaucer Theatre, <http://www.ChaucerTheatre.org>, January 2009.  
Logo, Jawnty.com, 2008.  
Storyboards, NBC's *Heroes* webisodes, *The Recruit*, 2008.  
Illustrator and package designer, Nestle's Carlos V sweepstakes promotion materials.  
Illustrator, Robert K. Wineland's *Staying Out Of Trouble*, 2008.  
Illustrator, Robert G. Tyson's *80 Days*, publish date TBD.  
Illustrator, R. R. Turner's *Wolfgang Nation*, Lulu Press, 2007.  
Illustrator, John Montgomery's *Fall of Daoradh* novel. iUniverse press, 2007.  
Illustrator, *The Compleat Crabber* by Christopher R. Reaske, Burford Books, 2006.  
CD Cover, *Simply Jazz* album, 2005.  
Character art for packaging, and animation pitch for *Bento Babeys* television show and picture book.

## ORGANIZATIONS

American Red Cross, Disaster Services and Services to Armed Forces, 2015-present

Volunteer, Sea Shepherd Conservation Society, 2012-present

Board Member, Geoffrey Chaucer & Co., 2007- 2012

Board Member, Arkansas River Valley Arts Center 1994-2002

Volunteer, Visual Arts Committee, Arkansas River Valley Arts Center 1995-2002

Member, Arkansas Artists Registry 1995

Member, Arkansas River Valley Artists Registry 1995-2002

Volunteer, Museum of Prehistory & Prehistory, Arkansas Tech University 1997-2002

Volunteer, Help Network, Inc. 1999-2001

Volunteer, United Way 1999

## REFERENCES

Available on request.

**THE CITY OF SAN RAFAEL  
AMERICANS WITH DISABILITIES ACT ACCESS ADVISORY COMMITTEE  
BYLAWS**

**ARTICLE I. NAME AND PURPOSE**

**Section 1.1. Name.** The name of this body shall be the City of San Rafael Americans with Disabilities Act Access Advisory Committee, hereinafter referred to as the "ADA Access Advisory Committee," or the "Committee."

**Section 1.2. Purpose.** The ADA Access Advisory Committee provides valuable input in determining disability policy for the City of San Rafael. The ADA Access Advisory Committee provides input, advises the City on matters relating to people with disabilities, and is a primary public networking resource between persons with disabilities, disability service agencies, representatives from government agencies, and others. Members of the committee represent a broad cross-section of members of the community with disabilities, reflecting multiple disabilities, and the cultural and gender diversity of the wider disability community. The ADA Access Advisory Committee works in conjunction with the City of San Rafael.

**Section 1.3. Committee Responsibility.** The ADA Access Advisory Committee's authority is advisory only. The ADA Access Advisory Committee has no power to act on behalf of the City of San Rafael or any other entity. The ADA Access Advisory Committee's responsibilities shall be in accord with these Bylaws, as amended from time-to-time by the City Council.

The ADA Access Advisory Committee may:

1. Act as a liaison between the City and the disabled community living and doing business in the City of San Rafael;
2. Assist the City with ADA projects including, but not limited to the: Self Evaluation, Transition Plan, publicity, website content, training, and emergency planning for persons with disabilities;
3. Solicit public input on city-related ADA projects and programs and provide a public forum for individuals with disabilities and groups representing people with disabilities;
4. Facilitate community awareness and advocacy by identifying and articulating common concerns;
5. Advise and educate members of the disability community, City staff, and the public about disability rights and accessibility issues;
6. Provide input to the City for the removal of physical barriers in City facilities, on City property, and the public rights-of-way based upon identified needs and

budget;

7. Work to improve accessibility for persons with disabilities throughout the community;
8. Promote emerging state and national disability issues relevant to the City;
9. Provide input for prioritizing barrier removal projects that are funded in the Capital Improvement Plan. The Director of Public Works shall have the final decision over the approval and authorization of projects;
10. Provide input on Disabled Access Hardship Applications submitted to the Building Division on permitted projects. The Chief Building Official shall have the final decision over the Disabled Access Hardship Application.

The ADA Access Advisory Committee is **not** involved in:

1. ADA compliance related to private development applications, approvals, or enforcement other than Disabled Access Hardship Applications as described above. This responsibility is carried out by the Community Development Department.
2. Grievances under the ADA directed toward the City. Anyone who wishes to file a complaint alleging discrimination on the basis of disability in the provision of services, activities, programs, or benefits by the City of San Rafael shall fall under the provisions of the City's grievance procedure.
3. Project review and approval. Existing Boards or Commissions (such as the Design Review Board or Planning Commission) that are established for public or private project review and approval, which includes full ADA compliance, shall remain with those Boards and Commissions.
4. City bids, contracts and agreements. The City has full responsibility to ensure that all approved bids, contracts and agreements are in full compliance under the ADA.

**Section 1.4. Brown Act.** All meetings of the ADA Access Advisory Committee shall be open and public, and all persons shall be permitted to attend any meeting of the ADA Access Advisory Committee, except as otherwise provided in the Ralph M. Brown Act. (Government Code Sections 54950 et seq.) Meetings will be accessible to all, with accommodations for accessibility issues made upon request. Any person who disrupts the meeting may be asked to leave and be removed.

## **ARTICLE II. MEMBERSHIP**

**Section 2.1. Number of Members.** The ADA Access Advisory Committee shall

consist of seven (7) voting members, one (1) alternate member, and one (1) non-voting City staff member who will act as the Committee Chairperson. The City staff member will typically be the City's ADA Coordinator, but in all instances shall be the person appointed by the City Manager.

**Section 2.2. Eligibility.** The seven (7) voting ADA Committee members and one (1) alternate shall consist of the following, each having the same duties and responsibilities:

1. Persons who are, or family members of, City of San Rafael residents with disabilities; and/or
2. Individuals residing in the City of San Rafael serving persons with disabilities in Marin County; and/or
3. Property owners, business owners, or individuals residing in the City of San Rafael with expertise and/or affiliations with private or public organizations concerned with issues of accessibility and/or other issues of concern to persons with disabilities; and/or
4. One member of the Committee may represent the San Rafael business community interest.

Membership on the Committee shall not be limited based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age or sexual orientation. An effort will be made to ensure that the membership is balanced and diverse based on the eligibilities above.

**Section 2.3. Appointment of Committee Members.** Voting Committee members and alternate member shall be appointed by the City Council. Appointments shall be published on the website for the City of San Rafael and as otherwise determined by the City Clerk.

**Section 2.4. Terms of Appointment.** Each Committee member shall serve a minimum term of four (4) years but not more than two terms. An effort will be made to ensure that the terms are staggered, and not all of the appointments expire in the same year. A Committee member whose term is expiring should notify the Chairperson at least ninety (90) days before the end of his/her term whether he/she wishes to continue his/her membership.

**Section 2.5. Resignation.** All resignations from the ADA Access Advisory Committee shall be submitted in writing to the Chairperson. The resigning Committee member should provide as much notice as possible.

**Section 2.6. Absence and Removal.** Attendance at any regularly scheduled meeting is a necessary part of being an effective Committee member. If a member is unable to attend a regularly scheduled meeting, the member should notify the Chairperson at least twenty-four (24) hours in advance of a regularly scheduled meeting to have an excused

absence. An unexcused absence from three (3) consecutive ADA Committee meetings without notification to the Chairperson, or six absences (whether excused or unexcused) in any term, shall result in immediate review of Committee membership by the Committee. If agendized for such action, the Committee may vote to remove the absent Committee member and declare the position to be vacant. Such voting may be on the same day as the review or at a future meeting. Previously dismissed Committee members may be eligible for reappointment to the Committee in accordance with Section 2.4.

**Section 2.7. Vacancies.** Vacancies, no matter how arising, shall be published on the website for the City of San Rafael and as otherwise determined by the City Clerk.

**Section 2.8. Compensation.** Committee members serve without compensation.

**Section 2.9. Duties of the Chairperson.** The Chairperson shall preside over all ADA Access Advisory Committee meetings and shall be responsible for preparing agendas, meeting minutes, and maintaining records of documents submitted to the Committee for consideration at the meeting. If the Chairperson is unable to attend a regularly scheduled meeting, the regularly scheduled meeting shall be cancelled and resumed at the next regularly scheduled meeting.

### **ARTICLE III. MEETINGS**

**Section 3.1. Time and date of Regular Meeting.** Notification of meeting place, date, and time shall be rendered to the public through posting on the City of San Rafael website. Meetings shall be held quarterly on the first Wednesday of March, June, September and December at 2:00 p.m. at City Hall. If the regular meeting dates fall on a legal holiday, that meeting may be held on a date selected by the Committee at the regular meeting preceding the holiday.

**Section 3.2. Agenda.** Items may be placed on the agenda by the Chairperson or at the request of a member if approved by the Chairperson. The Chairperson will be responsible for preparing an agenda item cover sheet and for the initial presentation at the meeting. Items to be included on the agenda should be submitted to the Chairperson no later than two weeks before the scheduled Committee meeting. Agenda packets for regular meetings will be provided to the Committee members at least two (2) business days before the scheduled meeting.

**Section 3.3. Special Meetings.** Special meetings may be called by the Chairperson.

**Section 3.4. Quorum.** Four (4) voting members of the Committee shall constitute a quorum for the transaction of business at any regular or special meeting of the ADA Access Advisory Committee.

**Section 3.5. Voting.** A majority vote of those present and constituting a quorum shall be required to agree to any business of the Committee, including making any recommendation that will be presented to the City Council, City Manager, Director of

Public Works, or Chief Building Official, provided that any Committee member who abstains due to a legal conflict of interest shall not be counted in determining the existence of a quorum or a majority vote.

#### **ARTICLE IV. ADOPTION AND AMENDMENT**

**Section 4.1. Effective Date.** The Bylaws shall become effective immediately upon a majority vote of approval by the City Council.

**Section 4.2. Amendments.** These Bylaws may be amended by majority vote of the City Council at any regular meeting of the City Council. All proposed amendments to the Bylaws shall be made available to the membership at least ten (10) days prior to the meeting at which the City Council will vote on the proposed changes. The amendment shall become effective immediately upon a majority vote of approval by the City Council.

In the Council Chambers of the City of San Rafael, Monday, July 15, 2019



**Regular Meeting**

**San Rafael City Council**

**Minutes**

Present: Mayor Phillips  
Vice Mayor McCullough  
Councilmember Bushey  
Councilmember Colin  
Councilmember Gamblin

Absent: None

Also Present: City Manager Jim Schutz  
City Attorney Robert Epstein  
City Clerk Lindsay Lara

[How to participate in your City Council meeting](#)

**OPEN SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL – 6:30 PM**

1. Mayor Phillips announced Closed Session item.

**CLOSED SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL – 6:30 PM**

2. Closed Session:
  - a. Conference with Legal Counsel-Existing Litigation  
Government Code section 54956.9(d)(1)  
Name of Case: Berkshire Hathaway Homestate Insurance Co. v. City of San Rafael et al.,  
Marin Superior Court No. CIV 1704075

[City Attorney Robert Epstein announced that no reportable action was taken in Closed Session](#)

**OPEN TIME FOR PUBLIC EXPRESSION – 7:00 PM**

[Patty Basset addressed the City Council regarding crime and safety](#)

**CITY MANAGER'S REPORT:**

3. City Manager's Report:

[City Manager Jim Schutz reported on wildfire prevention and preparedness and the coordination involved at the regional, local and neighborhood levels. He noted the recent renter regulations, the Mandatory Mediation and Just Cause Ordinances, are going into effect Wednesday, July 17, 2019. He noted the ribbon cutting for the Francisco Blvd West Multi-Use Path at the Andersen Drive Grade Crossing to be held at 2:15 p.m. Tuesday, July 16, 2019. Lastly, he expressed thanks to the Business Improvement](#)



District (BID) for their well-attended 1st annual Hops and Vines Stroll held downtown on Saturday, July 13, 2019

**CONSENT CALENDAR:**

**4. Consent Calendar Items:**

Item 4.i held from the Consent Calendar for comment.

Councilmember McCullough moved and Councilmember Colin seconded to approve the remainder of the Consent Calendar Items

- a. **Approval of Minutes**  
**Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, June 17, 2019 (CC)**  
[Regular Minutes 2019-06-17](#)

Approved as submitted

- b. **Fire Commission Vacancy**  
**Call for Applications to Fill One Unexpired Four-Year Term on the San Rafael Fire Commission to the End of March 2021 Due to The Resignation of Term of Leonard Thompson (CC)**  
[Fire Commission Vacancy](#)

Approved staff recommendation

c. **Amendments to General Plan 2040 Professional Services Agreements**

- 1) **Resolution Authorizing the City Manager to Execute an Amendment to the Agreement for Professional Planning Services with Barry J. Miller (CD)**
- 2) **Resolution Authorizing the City Manager to Execute an Amendment to the Agreement for Professional Services with Placeworks, Inc. for General Plan 2040 Environmental Impact Report and Engineering and Infrastructure Technical Consulting Services (CD)**  
[GP 2040 Professional Service Agreements Amendments](#)

RESOLUTION 14690 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL PLANNING SERVICES WITH BARRY J. MILLER

RESOLUTION 14691 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES WITH PLACEWORKS, INC. FOR GENERAL PLAN 2040 ENVIRONMENTAL IMPACT REPORT AND ENGINEERING AND INFRASTRUCTURE TECHNICAL CONSULTING SERVICES

- d. **California State Preschool Contract**  
**Resolution Approving a Contract (California State Preschool Program-9283) with the California Department of Education to Provide Funding in the Amount of \$232,864 for Fiscal Year 2019-2020 for Child Development Services and Authorizing the City Manager to Execute the Contract Documents (CS)**  
[California State Preschool Contract](#)

RESOLUTION 14692 – RESOLUTION APPROVING A CONTRACT (CALIFORNIA STATE PRESCHOOL PROGRAM-9283) WITH THE CALIFORNIA DEPARTMENT OF EDUCATION TO PROVIDE FUNDING IN THE AMOUNT OF \$232,864 FOR FISCAL YEAR 2019-2020 FOR CHILD DEVELOPMENT SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT DOCUMENTS

- e. **Security Services for the Library and Community Centers**  
**Resolution Authorizing the City Manager to Execute a Five-Year Professional Services Agreement with Barbier Security Group to Provide Security Services at the Library and Community Centers in an Amount Not to Exceed \$160,000 Annually (CS)**  
[Security Services for the Library and Community Centers](#)

RESOLUTION 14693 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A FIVE-YEAR PROFESSIONAL SERVICES AGREEMENT WITH BARBIER SECURITY GROUP TO PROVIDE SECURITY SERVICES AT THE LIBRARY AND COMMUNITY CENTERS IN AN AMOUNT NOT TO EXCEED \$160,000 ANNUALLY

- f. **Microsoft Licensing Renewal**  
**Resolution Authorizing the City Manager to Execute the Required Forms to Renew the City's Enrollment with Microsoft Corporation as Part of a Joint Microsoft Enterprise Agreement, and Issue Purchase Orders to Software One, Inc., for Microsoft Software Licenses at a Cost Not to Exceed \$220,000 Per Year for the Next 3 Years (DS)**  
[Microsoft Licensing Renewal](#)

RESOLUTION 14694 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE REQUIRED FORMS TO RENEW THE CITY'S ENROLLMENT WITH MICROSOFT CORPORATION AS PART OF A JOINT MICROSOFT ENTERPRISE AGREEMENT, AND ISSUE PURCHASE ORDERS TO SOFTWARE ONE, INC., FOR MICROSOFT SOFTWARE LICENSES AT A COST NOT TO EXCEED \$220,000 PER YEAR FOR THE NEXT 3 YEARS

- g. **Server Administration Support Services**  
**Resolution Authorizing the City Manager to Execute an Amendment to the Professional Services Agreement with INsite Networks, Inc. to Provide Server Administration Support Services through October 31, 2019, with an Additional Compensation Amount of \$95,000; and Delegating Limited Authority to Extend the Agreement on a Month-to-Month Basis Thereafter (DS)**  
[Server Administrative Support Services](#)

RESOLUTION 14695 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH INSITE NETWORKS, INC. TO PROVIDE SERVER ADMINISTRATION SUPPORT SERVICES THROUGH OCTOBER 31, 2019, WITH AN ADDITIONAL COMPENSATION AMOUNT OF \$95,000; AND DELEGATING LIMITED AUTHORITY TO EXTEND THE AGREEMENT ON A MONTH-TO-MONTH BASIS THEREAFTER

- h. **Network Support Services**  
**Resolution Authorizing the City Manager to Execute an Amendment to the Professional Services Agreement with MarinIT, Inc., to Provide Network Support Services Through October 31, 2019, with An Additional Compensation of \$150,000; and Delegating Limited Authority to Extend the Agreement on a Month-to-Month Basis Thereafter (DS)**  
[Network Support Services](#)

RESOLUTION 14696 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARINIT, INC., TO PROVIDE NETWORK SUPPORT SERVICES THROUGH OCTOBER 31, 2019, WITH AN ADDITIONAL COMPENSATION OF \$150,000; AND DELEGATING LIMITED AUTHORITY TO EXTEND THE AGREEMENT ON A MONTH-TO-MONTH BASIS THEREAFTER

- j. **Replacement of Structural Firefighting Equipment  
Resolution Approving the Purchase of Up to 40 Sets of Structural Firefighting Turnouts from AllStar Fire Equipment Inc. in an Amount Not to Exceed \$105,000 (FD)**  
[Replacement of Structural Firefighting Turnouts](#)

RESOLUTION 14697 – RESOLUTION APPROVING THE PURCHASE OF UP TO 40 SETS OF STRUCTURAL FIREFIGHTING TURNOUTS FROM ALLSTAR FIRE EQUIPMENT INC. IN AN AMOUNT NOT TO EXCEED \$105,000

- k. **Pump Testing Equipment  
Resolution Authorizing the Purchase of Pump Testing Equipment from Pump Pod USA In an Amount Not to Exceed \$100,000 (FD)**  
[Pump Testing Equipment](#)

RESOLUTION 14698 – RESOLUTION AUTHORIZING THE PURCHASE OF PUMP TESTING EQUIPMENT FROM PUMP POD USA IN AN AMOUNT NOT TO EXCEED \$100,000

- l. **Third Street at Hetherton Street Improvements  
Resolution Approving and Authorizing the City Manager to Execute a First Amendment to the Agreement with Kimley-Horn and Associates, Inc. for Additional Environmental Services Associated with the Third Street at Hetherton Street Improvements Project in the Amount of \$13,096.19, for a Total Not to Exceed Amount of \$78,000 (PW)**  
[Third Street at Hetherton Street Improvements](#)

RESOLUTION 14699 – RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR ADDITIONAL ENVIRONMENTAL SERVICES ASSOCIATED WITH THE THIRD STREET AT HETHERTON STREET IMPROVEMENTS PROJECT IN THE AMOUNT OF \$13,096.19, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$78,000

- m. **Southern Heights Bridge Replacement  
Resolution Approving and Authorizing the City Manager to Execute an Amendment to the Temporary Construction Easement Agreement with the Property Owner of 75 Pleasant Lane in an Additional Amount of \$3,000, for a Total Not to Exceed Amount of \$23,500 (PW)**  
[Southern Heights Bridge Replacement](#)

RESOLUTION 14700 – RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE TEMPORARY CONSTRUCTION EASEMENT AGREEMENT WITH THE PROPERTY OWNER OF 75 PLEASANT LANE IN AN ADDITIONAL AMOUNT OF \$3,000, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$23,500

- n. **Stormwater Pump Station Repairs FY 2019-20  
Resolution Waiving Competitive Bidding and Authorizing the City Manager to Execute an Agreement for FY 2019-20 Pump Repair and Replacement, in the Amount of \$210,289.10, and Authorizing Contingency Funds in the Amount of \$49,710.90, for a Total Project Amount of \$260,000 (PW)**  
[FY 2019-20 Stormwater Pump Station Repairs](#)

RESOLUTION 14701 – RESOLUTION WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR FY 2019-20 PUMP REPAIR AND REPLACEMENT, IN THE AMOUNT OF \$210,289.10, AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$49,710.90, FOR A TOTAL PROJECT AMOUNT OF \$260,000

- o. 2017 Storm Damage Repairs**  
**Resolution Authorizing the City Manager to Execute a Second Amendment to the Agreement with Park Engineering, Inc. for Engineering Support Associated with the 2017 Storm Damage Repairs Project in the Amount of \$21,402.46, for a Total Not-to-Exceed Amount of \$158,092.44 (PW)**  
[2017 Storm Damage Repairs](#)

RESOLUTION 14702 – RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH PARK ENGINEERING, INC. FOR ENGINEERING SUPPORT ASSOCIATED WITH THE 2017 STORM DAMAGE REPAIRS PROJECT IN THE AMOUNT OF \$21,402.46, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$158,092.44

- p. Village at Loch Lomond Marina - Mello-Roos District No. 2 Properties Special Tax**  
**Resolution Setting the Special Tax for City of San Rafael Community Facilities District No. 2 (The Village at Loch Lomond Marina) for Fiscal Year 2019-20 (PW)**  
[Village at Loch Lomond Marina - Mello-Roos District No 2](#)

RESOLUTION 14703 – RESOLUTION SETTING THE SPECIAL TAX FOR CITY OF SAN RAFAEL COMMUNITY FACILITIES DISTRICT NO. 2 (THE VILLAGE AT LOCH LOMOND MARINA) FOR FISCAL YEAR 2019-20

- q. Street Resurfacing 2018-2019 Project**  
**Resolutions Related to Street Resurfacing 2018-2019, City Project No. 11366:**
  - 1) Resolution Awarding and Authorizing the City Manager to Execute the Construction Agreement for the Street Resurfacing 2018-2019 Project to Ghilotti Bros., Inc., in the Amount of \$2,763,088, and Authorizing Contingency Funds in the Amount of \$236,912, for a Total Appropriated Amount of \$3,000,000 (PW)**
  - 2) Resolution Approving and Authorizing the City Manager to Execute a Professional Services Agreement with Park Engineering, Inc. for Inspection Services Associated with the Street Resurfacing 2018-2019 Project, In an Amount Not to Exceed \$118,348.70 (PW)**  
[Street Resurfacing 2018-2019](#)

RESOLUTION 14704 – RESOLUTION AWARDED AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONSTRUCTION AGREEMENT FOR THE STREET RESURFACING 2018-2019 PROJECT TO GHILOTTI BROS., INC., IN THE AMOUNT OF \$2,763,088, AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$236,912, FOR A TOTAL APPROPRIATED AMOUNT OF \$3,000,000

RESOLUTION 14705 – RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH PARK ENGINEERING, INC. FOR INSPECTION SERVICES ASSOCIATED WITH THE STREET RESURFACING 2018-2019 PROJECT, IN AN AMOUNT NOT TO EXCEED \$118,348.70

- r. **Bret Harte Park Restroom Installation Project Completion**  
**Accept Completion of the Bret Harte Park Restroom Installation Project (City Project No. 11326) and Authorize the City Clerk to File the Notice of Completion (PW)**  
[Bret Harte Park Restroom Installation Project](#)

Accepted report

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

The following item was removed from the Consent Calendar:

- i. **Marin County Multi-Jurisdictional Local Hazard Mitigation Plan**  
**Resolution Adopting the 2018 Marin County Multi-Jurisdictional Local Hazard Mitigation Plan (MCM LHMP) (FD)**  
[Marin County Multi-Jurisdictional Local Hazard Mitigation Plan](#)

Emergency Management Coordinator Quinn Gardner presented the staff report

Mayor Phillips invited public comment; however, there was none

Councilmember McCullough moved and Councilmember Colin seconded to adopt the Resolution

RESOLUTION 14706 – RESOLUTION ADOPTING THE 2018 MARIN COUNTY MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLAN (MCM LHMP)

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

#### **SPECIAL PRESENTATIONS:**

- 5. **Special Presentation:**
  - a. **Presentation of Proclamation to the Employee of the First Quarter 2019, Quinn Gardner, Emergency Management Coordinator**

Mayor Phillips presented the Proclamation to Emergency Management Coordinator Quinn Gardner, Employee of the First Quarter, 2019

- b. **Presentation of Proclamation to AmeriCorps NCCC Green 2**

Mayor Phillips presented the Proclamation to AmeriCorps NCCC Green 2

#### **PUBLIC HEARINGS**

- 6. **Public Hearings:**
  - a. **Point San Pedro Median Landscaping Assessment District**  
**Resolution Confirming the Engineer's Annual Levy Report for the Point San Pedro Road Median Landscaping Assessment District, and the Assessment Diagram Connected**

**Therewith, and Ordering the Levy and Collection of Assessments for Fiscal Year 2019-20 (PW)**

[Pt. San Pedro Median Landscaping Assessment District](#)

Public Works Director Bill Guerin introduced Senior Management Analyst Talia Smith who presented the staff report

Mayor Phillips declared the public hearing opened

Kevin Hagerty, Boardmember of the Pt. San Pedro Road Coalition and Chair of the Roadway Committee

Jim Dixon, Chair of the Median Subcommittee

There being no further comment from the audience, Mayor Phillips closed the public hearing

Councilmembers provided comment

Councilmember McCullough moved and Councilmember Bushey seconded to adopt the Resolution

RESOLUTION 14707 – RESOLUTION CONFIRMING THE ENGINEER'S ANNUAL LEVY REPORT FOR THE POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT, AND THE ASSESSMENT DIAGRAM CONNECTED THEREWITH, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2019-20

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips

NOES: Councilmembers: None

ABSENT: Councilmembers: None

**b. Baypoint Lagoons Landscaping and Lighting Assessment District  
Resolution Confirming the Engineer's Annual Levy Report for the Baypoint Lagoons Assessment District, and the Assessment Diagram Connected Therewith, and Ordering the Levy and Collection of Assessments for Fiscal Year 2019-20 (PW)**

[Baypoint Lagoons Assessment District](#)

[Talia Smith, Senior Management Analyst, presented the staff report](#)

[Councilmembers provided comments](#)

[Mayor Phillips declared the public hearing open. There being no comment from the audience, Mayor Phillips closed the public hearing](#)

[Councilmember Colin moved and Councilmember Bushey seconded to adopt the Resolution](#)

RESOLUTION 14708 – RESOLUTION CONFIRMING THE ENGINEER'S ANNUAL LEVY REPORT FOR THE BAYPOINT LAGOONS ASSESSMENT DISTRICT, AND THE ASSESSMENT DIAGRAM CONNECTED THEREWITH, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2019-20

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips

NOES: Councilmembers: None

ABSENT: Councilmembers: None

**c. Vacate a Portion of Jacoby Street**  
**Resolution to Order Vacation of Portions of Jacoby Street, San Rafael, California (PW)**  
[Vacate a Portion of Jacoby Street](#)

Public Works Director Bill Guerin introduced Associate Civil Engineer Josh Minshall who presented the staff report

Mayor Phillips declared the public hearing opened

Terrel Mason, Legal Representative Marin Sanitary Service

There being no further comment from the audience, Mayor Phillips closed the public hearing

Councilmember McCullough moved and Councilmember Colin seconded to adopt the Resolution

RESOLUTION 14709 – RESOLUTION TO ORDER VACATION OF PORTIONS OF JACOBY STREET, SAN RAFAEL, CALIFORNIA

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

**d. Freitas Parkway Undergrounding District**  
**Resolution to Form a Utility Undergrounding District on Manual T. Freitas Parkway Between U.S. Highway 101 and Las Gallinas Avenue (PW)**  
[Freitas Parkway Undergrounding District](#)

Public Works Director Bill Guerin introduced Civil Engineer Hunter Young who presented the staff report

Mayor Phillips declared the public hearing opened

Shirley Fischer

There being no further comment from the audience, Mayor Phillips closed the public hearing

Councilmember McCullough moved and Councilmember Bushey seconded to adopt the Resolution

RESOLUTION 14710 – RESOLUTION TO FORM A UTILITY UNDERGROUNDING DISTRICT ON MANUAL T. FREITAS PARKWAY BETWEEN U.S. HIGHWAY 101 AND LAS GALLINAS AVENUE

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

**OTHER AGENDA ITEMS:**

**7. Other Agenda Items:**



- a. **Grand Jury Report: "Vaping: An Under-the-Radar Epidemic"**  
**Resolution Approving and Authorizing the Mayor to Execute the Response to the Marin County Civil Grand Jury Report Entitled, "Vaping An Under-the-Radar Epidemic" (CD)**  
[Grand Jury Report - Vaping An Under-the-Radar Epidemic](#)

Advanced Professional Analyst Ethan Guy presented the staff report

Staff responded to questions from Councilmembers

Mayor Phillips invited public comment; however, there was none

Councilmember Bushey moved and Councilmember Gamblin seconded to adopt the Resolution with the deletion of "due to legislation being considered at the state and federal levels" from the resolution

RESOLUTION 14711 – RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT ENTITLED, "VAPING AN UNDER-THE-RADAR EPIDEMIC"

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

- b. **General Plan 2040 Progress Report #2 and Steering Committee Appointments**  
**Accept the General Plan 2040 Progress Report #2; and Adopt a Resolution Amending Resolution 14426, Modifying Appointments to the San Rafael General Plan 2040 Steering Committee (CD)**  
[GP 2040 Progress Report and Steering Committee Appointments](#)

Community Development Director Paul Jensen commented on the item and introduced Consulting Project Manager Barry Miller and Stefan Pellegrini, Opticos Design Principal who presented the staff report

Staff responded to questions from the City Council

Mayor Phillips invited public comment

Roger Roberts

There being no further comment from the audience, Mayor Phillips closed the public comment period

Councilmember Colin moved and Councilmember Bushey seconded to accept the report

Accepted report

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

Councilmember Colin moved and Councilmember Bushey seconded to adopt the Resolution



RESOLUTION 14712 – RESOLUTION AMENDING RESOLUTION 14426, MODIFYING APPOINTMENTS TO THE SAN RAFAEL GENERAL PLAN 2040 STEERING COMMITTEE

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

**c. Citywide Budget, Capital Improvement Program and Legal Spending Limit FY 2019-20**

**1) Resolution Approving the City-Wide Budget and Capital Improvement Program for the Fiscal Year 2019-2020 and Providing for the Appropriations and Expenditure of All Sums Set Forth in the Budget in the Amount of \$134,848,772 (Fin/PW/HR)**

**2) Resolution Approving Fiscal Year 2019-2020 Gann Appropriations Limit at \$138,889,447 (Fin/PW/HR)**

[Citywide Budget, CIP and Legal Spending Limit FY 2019-20](#)

City Manager Jim Schutz introduced Assistant City Manager Cristine Alilovich who expressed thanks to staff for their work on the fiscal year 2019-2020 budget and introduced Finance Director Nadine Hade who presented the staff report

Staff responded to questions from the City Council

Mayor Phillips invited public comment; however, there was none

Councilmember provided comments

Councilmember Colin moved and Councilmember McCullough seconded to adopt the Resolution

RESOLUTION 14713 – RESOLUTION APPROVING THE CITY-WIDE BUDGET AND CAPITAL IMPROVEMENT PROGRAM FOR THE FISCAL YEAR 2019-2020 AND PROVIDING FOR THE APPROPRIATIONS AND EXPENDITURE OF ALL SUMS SET FORTH IN THE BUDGET IN THE AMOUNT OF \$134,848,772

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

Councilmember Colin moved and Councilmember McCullough seconded to adopt the Resolution

RESOLUTION 14714 – RESOLUTION APPROVING FISCAL YEAR 2019-2020 GANN APPROPRIATIONS LIMIT AT \$138,889,447

AYES: Councilmembers: Bushey, Colin, Gamblin, McCullough & Mayor Phillips  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

**COUNCILMEMBER REPORTS / REQUESTS FOR FUTURE AGENDA ITEMS:**

**8. Councilmember Reports:**

*Minutes subject to approval at the City Council meeting of August 5, 2019*

- Councilmember Colin attended the grand opening of the Pickleweed Park Playground and commented on the multilingual electronic sign in front of the Al Boro Community Center.
- Councilmember Bushey expressed thanks to all for the clearly prepared agenda packet and the orderly process of the City Council meeting considering a record number of agenda items.
- Mayor Phillips:
  - announced he would be attending a meeting with the Marin IJ regarding SMART;
  - announced he sent a letter to the Senate regarding AB516;
  - reported on the Wildfire Advisory Committee; and
  - announced the grand opening of the Francisco Blvd. West Multi-Use Path on Tuesday, July 16th from 2-3:00 p.m.

**SAN RAFAEL SUCCESSOR AGENCY**

1. **Consent Calendar: -None.**

**ADJOURNMENT:**

Mayor Phillips adjourned the City Council meeting at 9:12 p.m.

\_\_\_\_\_  
LINDSAY LARA, City Clerk

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019

\_\_\_\_\_  
GARY O. PHILLIPS, Mayor



**SAN RAFAEL CITY COUNCIL STAFF REPORT**

**Department: City Clerk**

**Prepared by: Lindsay Lara, City Clerk**

**City Manager Approval:**

**TOPIC: Park and Recreation Commission Vacancies**

**SUBJECT: CALL FOR APPLICATIONS TO FILL TWO FOUR-YEAR TERMS TO THE END OF OCTOBER 2023 AND ONE UNEXPIRED FOUR-YEAR TERM TO THE END OF MAY 2022 ON THE PARK AND RECREATION COMMISSION DUE TO THE EXPIRATION OF TERMS OF MARK BUSTILLOS AND MARK MACHADO, AND THE RESIGNATION OF NICHOLAS SKEWES-COX**

**RECOMMENDATION:**

1. Call for applications to fill two four-year terms to the end of October 2023 and one unexpired four-year term to the end of May 2022, on the Park and Recreation Commission; and
2. Set deadline for receipt of applications for Tuesday, August 27, 2019 at 5:00 p.m. at City Hall in the City Clerk's Office, Room 209.

**BACKGROUND:**

The Park and Recreation Commission assists the City Council in developing and implementing the long-range plans for City parks and recreation facilities, monitors current service levels and community needs, reviews the performance of City partnerships with community groups in the utilization of facilities and production of programs, and reviews and advises on general policies and procedures in the delivery of park, recreation, child care and cultural services. [Meetings](#) are held on the third Thursday of each month at 7:00 p.m. at the San Rafael Community Center at 618 B Street, San Rafael, CA 94901.

**ANALYSIS:**

On July 19, 2019 Nicholas Skewes-Cox informed the City he is relocating outside of San Rafael city limits and resigned from his position on the Park and Recreation Commission. The term of office for Nicholas was set to expire on May 31, 2022, and staff recommends the release of a Call for Applications to fill his unexpired four-year term. The terms of office for Mark Bustillos and Mark Machado are set to expire on October 31, 2019. Members of the committee shall reside within city limits. By approving this item, staff will be able to release a Call for Applications for eligible and interested community members to apply. Once applications are received and reviewed, the City Clerk's Office will schedule a special City Council meeting where the City Council will interview candidates and make a selection to appoint candidates to the Park and Recreation Commission. The City Clerk's Office contacted both incumbents to determine their desire to

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

reapply. Mark Machado expressed a desire to reapply, and Mark Bustillos informed the City Clerk's office he would not reapply.

**FISCAL IMPACT:** There is no fiscal impact associated with this action.

**RECOMMENDED ACTION:**

1. Call for applications to fill two four-year terms to the end of October 2023 and one unexpired four-year term to the end of May 2022 on the Park and Recreation Commission; and
2. Set deadline for receipt of applications for Tuesday, August 27, 2019 at 5:00 p.m. at City Hall in the City Clerk's Office, Room 209

**ATTACHMENTS:**

1. Application Materials
2. Resignation Letter



## **Three Vacancies**

### **Park & Recreation Commission**

Applications to serve on the Park and Recreation Commission to fill two four-year terms to the end of October 2023 and one unexpired four-year term to the end of May 2022, may be obtained online at <https://www.cityofsanrafael.org/boards-commissions/> and may be completed and submitted electronically. Hard copies of the application are also available online and in the City Clerk's Office.

Deadline for filing applications: **Tuesday, August 27, 2019 at 5:00 p.m.**

There is no compensation paid to Park & Recreation Commissioners. Members must comply with the City's ethics training requirement of AB 1234. See attached information.

**ONLY RESIDENTS OF THE CITY OF SAN RAFAEL MAY APPLY.**

The Park and Recreation Commission meets on the 3<sup>rd</sup> Thursday of every month at 7:00 p.m. at the San Rafael Community Center, San Rafael.

**Interviews of applicants will be scheduled to be scheduled on a date to be determined.**

An excerpt from the San Rafael Municipal Code regarding Park & Recreation Commission membership, terms of commissioners, powers and duties, etc., is also attached.

NOTE: All Park & Recreation Commissioners are required to file Fair Political Practices Commission Conflict of Interest Statements, which are open to the public for review. [Government Code Section 87200]

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Lindsay Lara  
City Clerk  
City of San Rafael

Dated: August 6, 2019

**CITY OF SAN RAFAEL  
APPLICATION TO SERVE AS MEMBER OF  
PARK & RECREATION COMMISSION**

NAME: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP CODE: \_\_\_\_\_

RESIDENT OF THE CITY OF SAN RAFAEL FOR \_\_\_\_\_ YEARS

PRESENT POSITION: \_\_\_\_\_

NAME OF FIRM: \_\_\_\_\_

BUSINESS ADDRESS: \_\_\_\_\_

\*HOME & BUSINESS PHONE: \_\_\_\_\_

\*E-MAIL ADDRESS: \_\_\_\_\_

EDUCATION: \_\_\_\_\_

\_\_\_\_\_

PARTICIPATION IN THE FOLLOWING CIVIC ACTIVITIES: \_\_\_\_\_

\_\_\_\_\_

MEMBER OF FOLLOWING CIVIC ORGANIZATIONS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MY REASONS FOR WANTING TO SERVE ARE: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DESCRIBE POSSIBLE AREAS IN WHICH YOU MAY HAVE A CONFLICT OF INTEREST WITH THE CITY: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Demographics (Optional)

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL** and refusal to provide it will not subject you to any adverse treatment. This information will be considered confidential, kept separate from your application and will not be used for evaluating applications or making appointments. The City of San Rafael will use this information solely to conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

### Ethnicity:

- American Indian or Alaska Native (For example, Navajo Nation, Blackfeet Tribe, Mayan, Aztec, Native Village or Barrow Inupiat Traditional Government, Nome Eskimo Community, etc.)
- Asian (For example, Chinese, Filipino, Asian Indian, Vietnamese, Korean, Japanese, etc.)
- Black or African American (For example, African American, Jamaican, Haitian, Nigerian, Ethiopian, Somalian, etc.)
- Hispanic, Latino, or Spanish origin (For example, Mexican or Mexican American, Puerto Rican, Cuban, Salvadoran, Guatemalan, Dominican, Colombian, etc.)
- Middle Eastern or North African (For example, Lebanese, Iranian, Egyptian, Syrian, Moroccan, Algerian, etc.)
- Native Hawaiian or Other Pacific Islander (For example: Native Hawaiian, Samoan, Chamorro, Tongan, Fijian, Marshallese, etc.)
- White (For example: German, Irish, English, Italian, Polish, French, etc.)
- Other race, ethnicity or origin: \_\_\_\_\_

### To which gender to your most identify?

- Male
- Female
- Nonbinary or Third Gender
- Prefer to self-describe
- Prefer not to say

### How old are you?

- Under 18
- 18-24 years old
- 25-34 years old
- 35-44 years old
- 45-54 years old
- 55-64 years old
- 65-74 years old
- 75+ years old

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

### Filing Deadline:

Date: Tuesday, August 27, 2019  
Time: 5:00 p.m.

### Mail or deliver to:

City of San Rafael, Dept. of City Clerk  
City Hall, 1400 Fifth Avenue, Room 209  
P.O. Box 151560, San Rafael, CA 94915

## **SAN RAFAEL MUNICIPAL CODE**

### **Chapter 2.16 - BOARDS AND COMMISSIONS**

#### **2.16.020 - Park and Recreation Commission.\***

A Park and Recreation Commission is created. (Ord. 889 § 4, 1967: Ord. 511)

\* Park Commission--See San Rafael Charter, Art. III § 52 and Art. VIII § 11.

#### **2.16.021 - Commission membership--compensation.**

The Park and Recreation Commission shall consist of seven members appointed by the City Council, one of whom may be a councilman. All members of the Park and Recreation Commission shall serve without compensation. (Ord. 1141 § 1, 1974: Ord. 889 § 5 (part), 1967)

#### **2.16.022 - Commission term of office and removal.**

Members of the Park and Recreation Commission shall serve for a term of four years and shall be subject to removal by the affirmative vote of three members of the council. The terms of office of members of the commission shall be staggered in the manner provided by resolution of the city council. (Ord. 889 § 5 (part), 1967)

#### **2.16.023 - Commission powers and duties.**

Subject to the direction and control of the city council, as provided in Section 2.04.030 of this code, the powers and duties of the Parks and Recreation Commissioners shall be:

To assist in the preparation and adoption of a review annually and revise as necessary a long-range plan for parks including neighborhood parks, community-wide parks, special use facilities and open space lands;

To focus public attention upon the need for adequate parks and healthful and creative year-round supervised recreation for all age groups;

To assist in promoting the public recreation programs;

To solicit to the fullest extent possible the cooperation of school authorities and other public and private agencies interested therein;

To assist the Parks and Recreation Director in establishing general policies and procedures in respect to park usage;

To review, comment and make recommendations regarding the annual operating budget of the department;

To receive periodic reports from the department head concerning the general operations and functions of the department;



To perform such other duties as may be prescribed by the council.

(Ord. 1131 § 2, 1974: Ord. 889 § 5 (part), 1967)

## **CHARTER OF THE CITY OF SAN RAFAEL**

### **ARTICLE III - Powers of the City**

#### **Section 52. PARK COMMISSION.**

To establish a park commission and to appoint commissioners thereon, to serve without compensation, with such powers and duties as may be fixed by the council.

### **ARTICLE VIII - Executive and Administrative Departments**

#### **Section 11. PARK AND RECREATION COMMISSION.**

There shall be a park and recreation commission appointed by the council, the exact number of which shall be set by ordinance or resolution of the council, one of whom may be a councilman. The members of the commission shall serve for a term of four years, and shall be subject to removal by the affirmative vote of three members of the council. The terms of office of members of the commission shall be staggered in the manner provided by resolution of the council. The park and recreation commission shall exercise such powers and perform such duties as may be prescribed or conferred in this charter or by ordinances of the city.

(Assembly Concurrent Resolution No. 121, August 20, 1973:  
Senate Concurrent Resolution No. 46, May 31, 1967.)

## NOTICE TO BOARD & COMMISSION APPLICANTS

### REGARDING ETHICS TRAINING

On January 1, 2006, a new law became effective that requires two (2) hours of ethics training of the local legislative bodies by January 1, 2007. This new law defines a local legislative body as a "Brown Act" governing body, whether permanent or temporary, decision-making or advisory, and created by formal action of the City Council. In other words, any person serving on a City Council, Board, Commission, or Committee created by the Council is subject to this ethics training requirement. After this initial class, training will be required every two years.

Ethics training can be accomplished by taking a 2-hour class or self-study. An online training program has been established that allows local officials to satisfy the requirements of AB 1234 on a cost-free basis. The course can be accessed via the link below. When the training is finished, you must print the Certification of Completion provided at the end.

<http://localethics.fppc.ca.gov/login.aspx>

After you have completed the ethics class, a copy of your certificate needs to be given to the City Clerk for our files.

#### **AB 1234 (Salinas). Local Agencies: Compensation and Ethics**

Chapter 700, Statutes of 2005

This law does the following:

- **Ethics Training:** Members of the Brown Act-covered decision-making bodies must take two hours of ethics training every two years, if they receive compensation or are reimbursed expenses. The training can be in-person, online or self-study.
- **Expense Reimbursement -- Levels:** Local agencies which reimburse expenses of members of their legislative bodies must adopt written expense reimbursement policies specifying the circumstances under which expenses may be reimbursed. The policy may specify rates for meals, lodging, travel, and other expenses (or default to the Internal Revenue Service's (IRS) guidelines). Local agency officials must also take advantage of conference and government rates for transportation and lodging.
- **Expense Reimbursement -- Processes:** Local agencies, which reimburse expenses, must also provide expense reporting forms; when submitted, such forms must document how the expense reporting meets the requirements of the agency's expense reimbursement policy. Officials attending meetings at agency expense must report briefly back to the legislative body at its next meeting.

**From:** [Nicholas Skewes-Cox](#)  
**To:** [Lindsay Lara](#)  
**Cc:** [Susan Andrade-Wax](#)  
**Subject:** moving  
**Date:** Friday, July 19, 2019 10:17:18 AM

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Hello Lindsay,

I'm writing to inform you that my wife and I will be moving to the town of Ross on August 2, and as a result I will unfortunately need to step down from San Rafael's Park and Recreation commission.


It has been a wonderful experience serving on this commission, and I look forward to observing the continued improvement and expansion of San Rafael's facilities. We hope to come back to San Rafael after our stint in Ross, so perhaps I'll have another opportunity to get involved with the city when we return.

Thank you again for providing me with this opportunity to help our amazing community.

Regards,  
Nick Skewes-Cox

--

*Nicholas A. Skewes-Cox*





**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Finance**

**Prepared by: Nadine Hade**  
**Finance Director**

**City Manager Approval:**

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

**TOPIC: QUARTERLY INVESTMENT REPORT**

**SUBJECT: ACCEPTANCE OF CITY OF SAN RAFAEL QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDING JUNE 30, 2019**

**RECOMMENDATION:** Accept investment report for the quarter ending June 30, 2019, as presented.

**BACKGROUND:** Pursuant to the State of California Government Code Section 53601, and the City's investment policy, last approved by the City Council on June 17, 2019, staff provides the City Council a quarterly report on the City's investment activities and liquidity. Included in the report are the cost of each investment, the interest rates (yield), maturity dates, and market value. Separate reports are prepared for the City and the Successor Agency to San Rafael Redevelopment Agency.

The City invests a portion of its pooled funds in the Local Agency Investment Fund (LAIF), a State-run investment pool. Beginning in March 2014, the City incorporated an investment strategy that added purchases of securities outside of LAIF with the assistance of its investment advisor, Insight Investment.

In addition to operational funds the City manages, the City is also directing the investment of funds held by a Trustee for the Essential Public Safety Facilities. As of June 30, 2019, the balance was \$32,070,699 and the portfolio had a yield of 2.48 percent.

**ANALYSIS:** As of June 30, 2019, the primary LAIF account had a balance of \$17,597,984. The other LAIF account holding housing funds for future administrative expenses contained \$150,108. Portfolio returns on LAIF deposits were 2.43% for the quarter. The remaining investment assets included the \$1,387,200 balance of Pt. San Pedro Assessment District bonds, and \$22,339,976 in government agency securities and corporate bonds (including US Bank NA Cincinnati, American Honda Finance, JP Morgan Chase Co., Berkshire Hathaway Inc., Toyota Motor Credit Corp., Caterpillar Financial Services, and PNC Bank NA). The overall total portfolio returns for the quarter ended June 30, 2019 were 2.21%.

The City's Westamerica account had a balance of \$9,731,768 at quarter end.

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

The attachments are composed of four parts: (1) Quarterly Investment Portfolio Report; (2) Historical Activity By Quarter summarizing the City's investments; (3) the three monthly investment reports from Insight Investment for the quarter; and (4) the two CAMP Lease Revenue Bonds Series 2018 Project Fund Account 7023-001 and Capitalized Interest Account 7023-002 for the month ending June 2019.

**FISCAL IMPACT:** No financial impact occurs by adopting the report. The City continues to meet the priority principles of investing - safety, liquidity and yield in respective order. The portfolio remains conservatively invested. Sufficient liquidity exists to meet daily operating and capital project requirements for the next six months. Operating funds, as defined for this report, exclude cash held with fiscal agents for the payment of bond principal and interest.

**RECOMMENDATION:** Accept investment report for the quarter ending June 30, 2019, as presented.

**ATTACHMENTS:**

1. Quarterly Investment Portfolio Report
2. Historical Activity by Quarter Report
3. Insight Investment Statements, April through June 2019
4. CAMP Lease Revenue Bonds Series 2018 Project Fund & Capitalize Interest Statements for the Month Ending June 30, 2019

I CERTIFY THAT ALL INVESTMENTS MADE ARE IN CONFORMANCE WITH THE CITY'S APPROVED INVESTMENT POLICY AND STATE INVESTMENT REGULATIONS. THE CITY HAS SUFFICIENT LIQUIDITY TO MEET ALL OF THE OBLIGATIONS REQUIRED DURING THE NEXT SIX-MONTH PERIOD.

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NADINE HADE  
FINANCE DIRECTOR

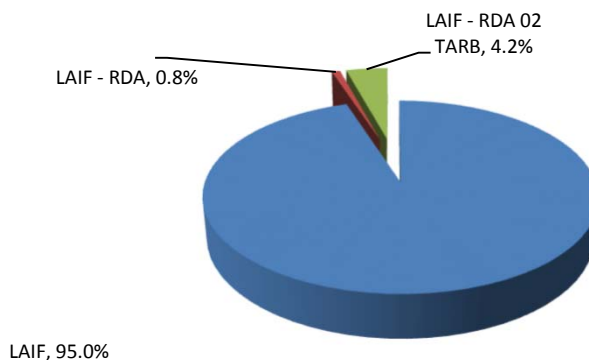
# City of Rafael

## Quarterly Investment Portfolio Report

### June 30, 2019

#### Internally Managed Assets

		%	Return
LAIF	\$ 16,853,145	95.0%	2.43%
LAIF - RDA	\$ 150,108	0.8%	2.43%
LAIF - RDA 02 TARB	\$ 744,839	4.2%	2.43%
<b>Total Internally Managed</b>	<b>\$ 17,748,091</b>	<b>42.8%</b>	

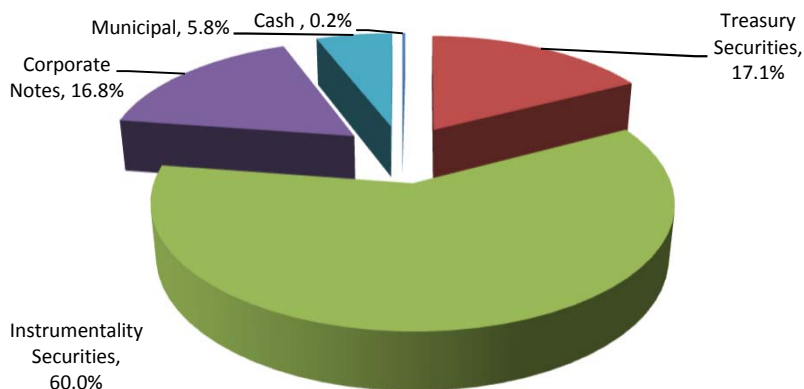


**Weighted Average Yield** **2.43%**

Effective Average Duration - Internal	1
Weighted Average Maturity - Internal	1

#### Externally Managed Assets

		%	Return
Cash	\$ 52,950	0.2%	0.00%
Treasury Securities	\$ 4,064,551	17.1%	1.64%
Instrumentality Securities	\$ 14,234,066	60.0%	1.68%
Corporate Notes	\$ 3,988,410	16.8%	2.68%
Municipal	\$ 1,387,200	5.8%	5.25%
<b>Total Externally Managed</b>	<b>\$ 23,727,176</b>	<b>57.2%</b>	

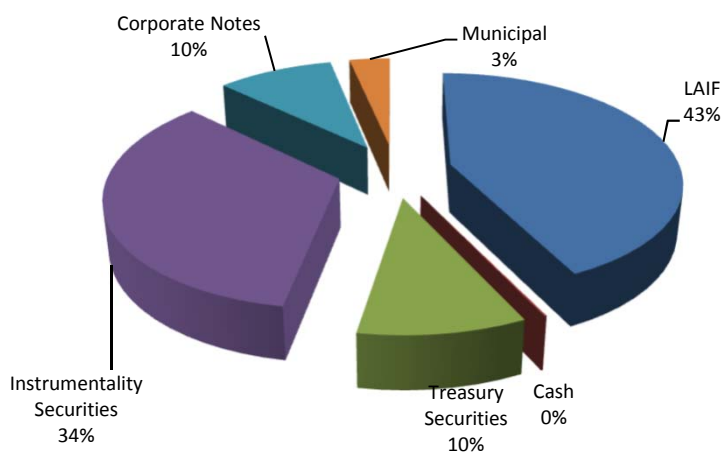


**Weighted Average Yield** **2.05%**

Effective Average Duration - External	1.34
Weighted Average Maturity - External	1.61

#### Total Portfolio Assets

		%	Return
LAIF	\$ 17,748,091	42.8%	2.43%
Cash	\$ 52,950	0.1%	0.00%
Treasury Securities	\$ 4,064,551	9.8%	1.64%
Instrumentality Securities	\$ 14,234,066	34.3%	1.68%
Corporate Notes	\$ 3,988,410	9.6%	2.68%
Municipal	\$ 1,387,200	3.3%	5.25%
<b>Total Portfolio Assets</b>	<b>\$ 41,475,268</b>		



**Weighted Average Yield** **2.21%**

Effective Average Duration - Total	0.77
Weighted Average Maturity - Total	0.92

**Based on Market Values**

# City of San Rafael

## Historical Activity-By Quarter

	June 30, 2019			March 31, 2019			December 31, 2018			September 30, 2018			June 30, 2018			March 31, 2018		
Internally Managed Assets		%	Return		%	Return		%	Return		%	Return		%	Return		%	Return
LAIF	\$ 17,597,984	99.2%	2.43%	\$ 12,519,411	98.8%	2.44%	\$ 12,486,014	98.8%	2.29%	\$ 4,437,136	96.8%	2.05%	\$ 19,345,352	99.2%	1.85%	\$ 19,257,368	99.2%	1.43%
LAIF - Housing	\$ 150,108	0.8%	2.43%	\$ 149,172	1.2%	2.44%	\$ 148,276	1.2%	2.29%	\$ 147,475	3.2%	2.05%	\$ 146,778	0.8%	1.85%	\$ 146,234	0.8%	1.43%
<b>Total Internally Managed</b>	<b>\$ 17,748,092</b>	<b>42.8%</b>		<b>\$ 12,668,583</b>	<b>35.0%</b>		<b>\$ 12,634,290</b>	<b>35.1%</b>		<b>\$ 4,584,611</b>	<b>15.7%</b>		<b>\$ 19,492,130</b>	<b>44.2%</b>		<b>\$ 19,403,602</b>	<b>44.1%</b>	
<b>Weighted Average Yield</b>			<b>2.43%</b>			<b>2.44%</b>			<b>2.29%</b>			<b>2.05%</b>			<b>1.85%</b>			<b>1.43%</b>
<b>Externally Managed Assets</b>		%	Return		%	Return		%	Return		%	Return		%	Return		%	Return
Cash	\$ 52,950	3.8%	0.00%	\$ 137,947	0.6%	0.00%	\$ 26,052	0.1%	0.00%	\$ 129,216	0.5%	0.00%	\$ 170,357	11.7%	0.00%	\$ 115,317	0.5%	0.00%
Commercial Paper	\$ -	0.0%	0.00%	\$ -	0.0%	0.00%	\$ -	0.0%	0.00%	\$ -	0.0%	0.00%	\$ -	0.0%	0.00%	\$ -	0.0%	0.00%
Treasury Securities	\$ 4,064,551	17.1%	1.64%	\$ 4,469,213	19.0%	1.61%	\$ 4,452,549	19.1%	1.61%	\$ 4,432,186	18.0%	1.61%	\$ 4,434,357	18.0%	1.61%	\$ 4,439,353	18.1%	1.61%
Instrumentality Securities	\$ 14,234,066	60.0%	1.68%	\$ 14,048,805	59.6%	1.70%	\$ 14,469,316	61.9%	1.50%	\$ 15,662,144	63.6%	1.48%	\$ 15,515,087	63.0%	1.41%	\$ 15,006,092	61.1%	1.38%
Corporate Notes	\$ 3,988,410	16.8%	2.68%	\$ 3,534,412	15.0%	2.52%	\$ 3,029,558	13.0%	2.21%	\$ 3,032,374	12.3%	1.88%	\$ 3,034,526	12.3%	1.35%	\$ 3,529,912	14.4%	1.32%
Municipal/Assessment District	\$ 1,387,200	5.8%	5.25%	\$ 1,387,200	5.9%	5.25%	\$ 1,387,200	5.9%	5.25%	\$ 1,387,200	5.6%	5.25%	\$ 1,455,700	5.9%	5.25%	\$ 1,455,700	5.9%	5.25%
<b>Total Externally Managed</b>	<b>\$ 23,727,176</b>	<b>57.2%</b>		<b>\$ 23,577,577</b>	<b>65.0%</b>		<b>\$ 23,364,674</b>	<b>64.9%</b>		<b>\$ 24,643,120</b>	<b>84.3%</b>		<b>\$ 24,610,027</b>	<b>55.8%</b>		<b>\$ 24,546,375</b>	<b>55.9%</b>	
<b>Weighted Average Yield</b>			<b>2.05%</b>			<b>2.00%</b>			<b>1.83%</b>			<b>1.76%</b>			<b>1.66%</b>			<b>1.64%</b>
			Years			Years			Years			Years			Years			Years
Effective Average Duration - External			1.34			1.34			1.34			1.51			1.68			1.91
Weighted Average Maturity - External			1.60			1.60			1.60			1.74			1.96			2.20
<b>Total Portfolio Assets</b>		%	Return		%	Return		%	Return		%	Return		%	Return		%	Return
LAIF	\$ 17,748,092	42.8%	2.43%	\$ 12,668,583	35.0%	2.44%	\$ 12,634,290	35.1%	2.29%	\$ 4,584,611	15.7%	2.05%	\$ 19,492,130	44.2%	1.85%	\$ 19,403,602	44.1%	1.43%
Cash	\$ 52,950	0.1%	0.00%	\$ 137,947	0.4%	0.00%	\$ 26,052	0.1%	0.00%	\$ 129,216	0.4%	0.00%	\$ 170,357	0.4%	0.00%	\$ 115,317	0.3%	0.00%
Treasury Securities	\$ 4,064,551	9.8%	1.64%	\$ 4,469,213	12.3%	1.61%	\$ 4,452,549	12.4%	1.61%	\$ 4,432,186	15.2%	1.61%	\$ 4,434,357	10.1%	0.00%	\$ 4,439,353	10.1%	1.61%
Instrumentality Securities	\$ 14,234,066	34.3%	1.68%	\$ 14,048,805	38.8%	1.70%	\$ 14,469,316	40.2%	1.50%	\$ 15,662,144	53.6%	1.48%	\$ 15,515,087	35.2%	1.61%	\$ 15,006,092	34.1%	1.38%
Corporate Notes	\$ 3,988,410	9.6%	2.68%	\$ 3,534,412	9.8%	2.52%	\$ 3,029,558	8.4%	2.21%	\$ 3,032,374	10.4%	1.88%	\$ 3,034,526	6.9%	1.41%	\$ 3,529,912	8.0%	1.32%
Municipal/Assessment District	\$ 1,387,200	3.3%	5.25%	\$ 1,387,200	3.8%	5.25%	\$ 1,387,200	3.9%	5.25%	\$ 1,387,200	4.7%	5.25%	\$ 1,455,700	3.3%	1.35%	\$ 1,455,700	3.3%	5.25%
<b>Total Portfolio Assets</b>	<b>\$ 41,475,267</b>			<b>\$ 36,246,160</b>			<b>\$ 35,998,964</b>			<b>\$ 29,227,731</b>			<b>\$ 44,102,157</b>			<b>\$ 43,949,978</b>		
<b>Weighted Average Yield</b>			<b>2.21%</b>			<b>2.16%</b>			<b>1.99%</b>			<b>1.80%</b>			<b>1.74%</b>			<b>1.55%</b>
			Years			Years			Years			Years			Years			Years
Effective Average Duration - Total			0.77			0.87			0.87			1.27			0.94			1.07
Weighted Average Maturity - Total			0.92			1.04			1.04			1.47			1.09			1.23

### Performance Recap

- The weighted average quarterly portfolio yield increased from 2.16% to 2.21% during the past quarter. The yield has increased over the past year, from 1.74% in the quarter ended June 30, 2018 to 2.21% in the most recent quarter. This trend is reflective of the general increase in interest rates that occurred throughout the year.
- The effective average duration has decreased, from 0.87 to 0.77 years since last quarter due to an increase in cash. Additionally, the City is still shortening its investments in preparation of higher interest rates.
- The total portfolio assets increase by approximately \$5 million during the quarter. This is due to the collection of property tax received in April and moved to LAIF.



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# SAN RAFAEL

April 2019

Part of  BNY MELLON



# SECURITIES HELD

SAN RAFAEL

As of April 30, 2019

Cusip	Description	Coupon	Maturity	Par value or shares	Historical cost	Trade date	Purchase yield	% Portfolio hist cost
<b>Cash and Cash Equivalents</b>								
				127,082.10	127,082.10			0.54
<b>Total Cash and Cash Equivalents</b>				<b>127,082.10</b>	<b>127,082.10</b>			<b>0.54</b>
<b>Corporate Bonds</b>								
14912L6R7	CATERPILLAR FINANCIAL SERVICES	1.350	05/18/2019	500,000.00	498,245.00	10/14/2016	1.49	2.11
69353REX2	PNC BANK NA	1.450	07/29/2019	500,000.00	494,490.00	08/13/2018	2.63	2.09
084670BL1	BERKSHIRE HATHAWAY INC	2.100	08/14/2019	550,000.00	547,453.50	09/13/2018	2.62	2.31
90331HNB5	US BANK NA/CINCINNATI OH	2.000	01/24/2020	500,000.00	493,330.00	10/17/2018	3.08	2.09
89236TCF0	TOYOTA MOTOR CREDIT CORP	2.150	03/12/2020	500,000.00	504,545.00	09/12/2017	1.78	2.13
02665WBT7	AMERICAN HONDA FINANCE CORP	1.950	07/20/2020	500,000.00	492,340.00	01/02/2019	2.98	2.08
46625HQJ2	JP MORGAN CHASE & CO	2.550	03/01/2021	500,000.00	494,725.00	01/25/2019	3.08	2.09
<b>Total Corporate Bonds</b>				<b>3,550,000.00</b>	<b>3,525,128.50</b>		<b>2.52</b>	<b>14.91</b>
<b>Government Agencies</b>								
3133X72S2	FEDERAL HOME LOAN BANKS	5.375	05/15/2019	500,000.00	515,625.00	05/02/2018	2.30	2.18
313379EE5	FEDERAL HOME LOAN BANKS	1.625	06/14/2019	1,000,000.00	993,180.00	03/08/2018	2.17	4.20
3135G0L76	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.075	07/11/2019	600,000.00	599,100.00	09/23/2016	1.13	2.53
3133EGSC0	FEDERAL FARM CREDIT BANKS	1.000	08/26/2019	1,000,000.00	1,000,610.00	08/23/2016	0.98	4.23
313380FB8	FEDERAL HOME LOAN BANKS	1.375	09/13/2019	1,000,000.00	1,011,510.00	09/28/2016	0.98	4.28
3134G3M49	FEDERAL HOME LOAN MORTGAGE CORP	1.500	09/26/2019	1,000,000.00	1,001,001.00	07/13/2017	1.45	4.23
3137EADM8	FEDERAL HOME LOAN MORTGAGE CORP	1.250	10/02/2019	1,000,000.00	993,010.00	10/23/2017	1.62	4.20
3137EADM8	FEDERAL HOME LOAN MORTGAGE CORP	1.250	10/02/2019	650,000.00	641,030.00	09/13/2018	2.59	2.71
3135G0R39	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.000	10/24/2019	600,000.00	589,095.11	01/19/2018	2.06	2.49
3130ABCH7	FEDERAL HOME LOAN BANKS	1.500	11/04/2019	750,000.00	750,030.00	06/21/2017	1.50	3.17
3133ECEY6	FEDERAL FARM CREDIT BANKS	1.450	02/11/2020	1,000,000.00	1,003,130.00	11/14/2016	1.35	4.24
3134G3K58	FEDERAL HOME LOAN MORTGAGE CORP	1.500	03/19/2020	500,000.00	498,289.00	05/11/2017	1.62	2.11
313383HU8	FEDERAL HOME LOAN BANKS	1.750	06/12/2020	1,000,000.00	996,870.00	11/27/2017	1.88	4.22
3133EHVX8	FEDERAL FARM CREDIT BANKS	1.500	08/24/2020	1,000,000.00	999,190.00	09/12/2017	1.53	4.23
3135G0RM7	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.630	10/30/2020	1,000,000.00	1,003,410.00	08/31/2017	1.52	4.24
3133EJ4Q9	FEDERAL FARM CREDIT BANKS	2.550	01/11/2021	500,000.00	499,100.00	01/25/2019	2.64	2.11
313373ZY1	FEDERAL HOME LOAN BANKS	3.625	06/11/2021	1,000,000.00	1,024,040.00	03/07/2019	2.52	4.33
<b>Total Government Agencies</b>				<b>14,100,000.00</b>	<b>14,118,220.11</b>		<b>1.70</b>	<b>59.70</b>

# SECURITIES HELD

## As of April 30, 2019

Cusip	Description	Coupon	Maturity	Par value or shares	Historical cost	Trade date	Purchase yield	% Portfolio hist cost
<b>Government Bonds</b>								
912828WL0	UNITED STATES TREASURY NOTE/BOND	1.500	05/31/2019	500,000.00	501,230.47	03/06/2017	1.39	2.12
912828WS5	UNITED STATES TREASURY NOTE/BOND	1.625	06/30/2019	1,000,000.00	993,281.25	02/26/2018	2.14	4.20
912828TV2	UNITED STATES TREASURY NOTE/BOND	1.250	10/31/2019	650,000.00	649,009.77	04/20/2017	1.31	2.74
912828H52	UNITED STATES TREASURY NOTE/BOND	1.250	01/31/2020	750,000.00	745,869.14	06/21/2017	1.47	3.15
912828X96	UNITED STATES TREASURY NOTE/BOND	1.500	05/15/2020	600,000.00	596,554.69	11/10/2017	1.74	2.52
912828XM7	UNITED STATES TREASURY NOTE/BOND	1.625	07/31/2020	1,000,000.00	1,005,742.19	08/31/2017	1.42	4.25
<b>Total Government Bonds</b>				<b>4,500,000.00</b>	<b>4,491,687.51</b>		<b>1.61</b>	<b>18.99</b>
<b>Municipal/Provincial Bonds</b>								
888599LS4	PT. SAN ASSESS DISTRICT	5.250	09/02/2032	1,387,200.00	1,387,200.00	03/01/2014	5.25	5.87
<b>Total Municipal/Provincial Bonds</b>				<b>1,387,200.00</b>	<b>1,387,200.00</b>		<b>5.25</b>	<b>5.87</b>
<b>Grand Total</b>				<b>23,664,282.10</b>	<b>23,649,318.22</b>		<b>2.01</b>	<b>100.00</b>

# ADDITIONAL INFORMATION

## As of April 30, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategys holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

# ADDITIONAL INFORMATION

## As of April 30, 2019

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# SAN RAFAEL

May 2019

Part of  BNY MELLON



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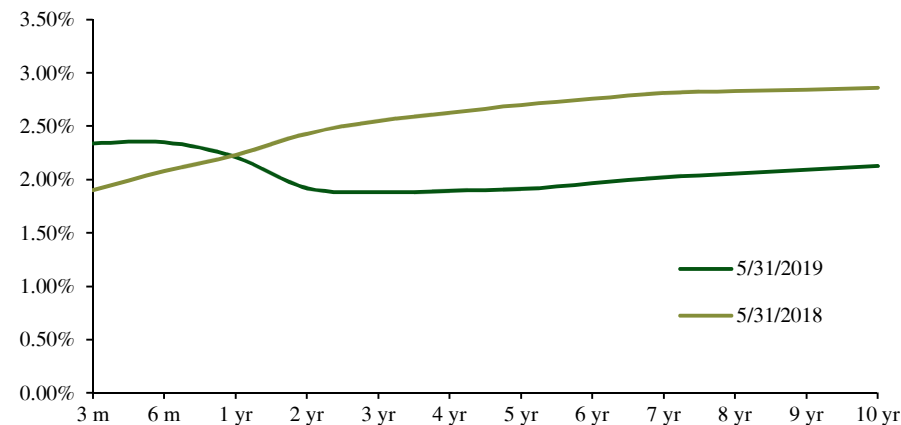
As of May 31, 2019

Chart 1: 2-year and 5-year Treasury note yields: 5/31/16—5/31/2019



Source: Bloomberg Finance LP, May 31, 2019.

Chart 2: Treasury yield curve: 5/31/2018 and 5/31/2019



Source: Bloomberg Finance LP, May 31, 2019.

### Economic Indicators and Monetary Policy

On May 1 the Federal Open Market Committee (FOMC) completed a two day meeting and voted to maintain the target range for the federal funds rate at 2.25% to 2.50%. The FOMC statement noted continuing strength in the labor market and solid economic growth. The statement described that nominal and core inflation levels have declined and are running below the FOMC target of 2%. In the press conference, Chair Powell reinforced the theme of patience and added that the FOMC does not see a case for moving policy rates “in either direction”.

The employment report released on May 3 showed that 263,000 jobs were added in April, better than forecasts for 190,000 jobs added. The unemployment rate fell to 3.6% from 3.8% and the underemployment rate was unchanged from March at 7.3%. Average hourly earnings for April were steady at 3.2% annual growth.

As trade negotiations between China’s top trade envoy and US counterparts in Washington failed to progress, a further round of US tariffs on \$200bn of Chinese exports was introduced on May 10, raising the rate from 10% to 25%. Near the end of May President Trump said the US is “not ready to make a deal” with China and reiterated that tariffs could rise “substantially”. Chinese leaders responded that the “US should not underestimate China’s capacity to retaliate”.

On May 30, President Trump announced a 5% tariff on Mexican goods effective June 10, subject to an end to illegal immigration from Mexico. The tariff rate will otherwise rise each month until it reaches 25% in October.

Uncertainty over trade relations led investors to seek a safe haven in Treasury securities. Interest rates fell during May, the yield on the two year treasury decreased 30bp during the month and the five year Treasury yield fell 35bp. (See chart 1.)

### Interest Rate Summary

At the end of May, the 3-month US Treasury bill yielded 2.34%, the 6-month US Treasury bill yielded 2.35%, the 2-year US Treasury note yielded 1.92%, the 5-year US Treasury note yielded 1.91% and the 10-year US Treasury note yielded 2.13%. (See Chart 2).



# ACTIVITY AND PERFORMANCE SUMMARY

For the period May 1, 2019 - May 31, 2019

<u>Amortized Cost Basis Activity Summary</u>		
<b>Opening balance</b>		23,663,264.12
Income received	17,018.92	
<b>Total receipts</b>		17,018.92
Expenses paid	(138.74)	
<b>Total disbursements</b>		(138.74)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Realized gain (loss)		0.00
<b>Total amortization expense</b>		(2,493.35)
<b>Total OID/MKT accretion income</b>		4,717.20
Return of capital		0.00
<b>Closing balance</b>		23,682,368.15
<b>Ending fair value</b>		23,648,753.68
Unrealized gain (loss)		(33,614.47)

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	188.36	0.00	0.00	188.36
Corporate Bonds	6,077.93	1,622.75	0.00	7,700.68
Government Agencies	20,537.35	105.12	0.00	20,642.47
Government Bonds	5,673.40	495.98	0.00	6,169.38
Municipal/Provincial Bonds	6,271.30	0.00	0.00	6,271.30
<b>Total</b>	<b>38,748.34</b>	<b>2,223.85</b>	<b>0.00</b>	<b>40,972.19</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.19	1.19	0.20
Overnight Repo	2.28	1.24	0.21
Merrill Lynch 3m US Treas Bill	2.23	1.18	0.20
Merrill Lynch 6m US Treas Bill	2.33	1.20	0.20
ML 1 Year US Treasury Note	2.52	1.25	0.20
ML 2 Year US Treasury Note	2.59	1.22	0.19
ML 5 Year US Treasury Note	2.65	1.21	0.18

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	38,748.34
Accretion (amortization)	2,223.85
Realized gain (loss) on sales	0.00
Total income on portfolio	40,972.19
Average daily amortized cost	23,675,717.71
Period return (%)	0.17
YTD return (%)	0.82
Weighted average final maturity in days	573

# ACTIVITY AND PERFORMANCE SUMMARY

For the period May 1, 2019 - May 31, 2019

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		23,585,216.15
Income received	17,018.92	
<b>Total receipts</b>		17,018.92
Expenses paid	(138.74)	
<b>Total disbursements</b>		(138.74)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		46,657.35
<b>Ending fair value</b>		23,648,753.68

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	188.36	0.00	188.36
Corporate Bonds	6,077.93	7,701.45	13,779.38
Government Agencies	20,537.35	31,908.75	52,446.10
Government Bonds	5,673.40	7,047.15	12,720.55
Municipal/Provincial Bonds	6,271.30	0.00	6,271.30
<b>Total</b>	<b>38,748.34</b>	<b>46,657.35</b>	<b>85,405.69</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.19	1.19	0.20
Overnight Repo	2.28	1.24	0.21
ICE ML 3m US Treas Bill	2.26	1.20	0.23
ICE ML 6m US Treas Bill	2.40	1.33	0.24
ICE ML 1 Year US Treasury Note	2.70	1.71	0.31
ICE ML US Treasury 1-3	3.44	2.71	0.71
ICE ML US Treasury 1-5	4.20	3.53	1.00

\* rates reflected are cumulative

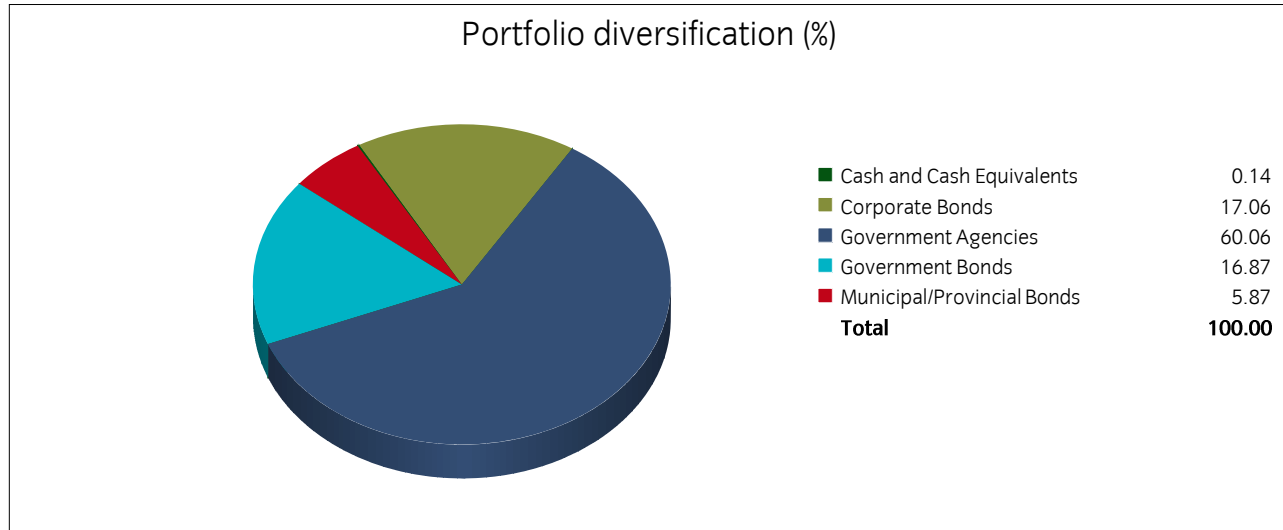
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	38,748.34
Change in fair value	46,657.35
Total income on portfolio	85,405.69
Average daily total value *	23,725,443.65
Period return (%)	0.36
YTD return (%)	1.45
Weighted average final maturity in days	573

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of May 31, 2019

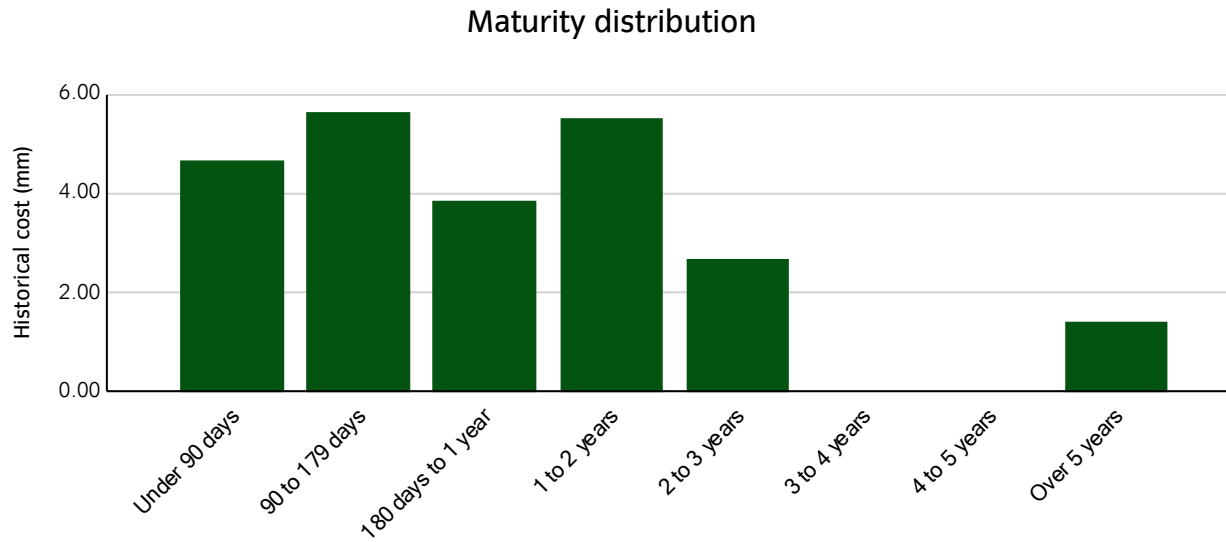
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	34,202.28	34,202.28	34,202.28	0.00	1	0.14	0.00
Corporate Bonds	4,034,213.50	4,043,801.78	4,053,870.20	10,068.42	449	17.06	1.15
Government Agencies	14,205,025.11	14,217,813.84	14,193,074.45	(24,739.39)	286	60.06	0.76
Government Bonds	3,990,457.04	3,999,350.25	3,980,406.75	(18,943.50)	238	16.87	0.65
Municipal/Provincial Bonds	1,387,200.00	1,387,200.00	1,387,200.00	0.00	4,843	5.87	9.39
<b>Total</b>	<b>23,651,097.93</b>	<b>23,682,368.15</b>	<b>23,648,753.68</b>	<b>(33,614.47)</b>	<b>573</b>	<b>100.00</b>	<b>1.31</b>



# MATURITY DISTRIBUTION OF SECURITIES HELD

As of May 31, 2019

Maturity	Historic cost	Percent
Under 90 days	4,662,317.03	19.71
90 to 179 days	5,634,685.88	23.82
180 days to 1 year	3,841,717.83	16.24
1 to 2 years	5,491,377.19	23.22
2 to 3 years	2,633,800.00	11.14
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	1,387,200.00	5.87
	<b>23,651,097.93</b>	<b>100.00</b>



# SECURITIES HELD

## As of May 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>											
Cash and Cash Equivalents	0.000		34,202.28	34,202.28 0.00	34,202.28 0.00	34,202.28 0.00	0.00	0.00	0.00	0.00	0.14
<b>Total Cash and Cash Equivalents</b>			<b>34,202.28</b>	<b>34,202.28</b> <b>0.00</b>	<b>34,202.28</b> <b>0.00</b>	<b>34,202.28</b> <b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.14</b>
<b>Corporate Bonds</b>											
69353REX2 PNC BANK NA 1.45% 29JUL2019 (CALLABLE 08JUL19)	1.450	07/29/2019 06/29/2019	500,000.00	494,490.00 0.00	499,063.14 476.37	499,121.00 371.00	57.86	0.00	624.30	2,456.94	2.09
084670BL1 BERKSHIRE HATHAWAY INC 2.1% 14AUG2019	2.100	08/14/2019	550,000.00	547,453.50 0.00	549,432.41 230.11	549,520.95 475.20	88.54	0.00	994.59	3,432.92	2.31
90331HNB5 US BANK NA CINCINNATI 2% 24JAN2020 (CALLABLE 24DEC19)	2.000	01/24/2020 12/24/2019	500,000.00	493,330.00 0.00	496,592.18 436.90	498,305.50 457.00	1,713.32	0.00	861.11	3,527.78	2.09
89236TCF0 TOYOTA MOTOR CREDIT CORP 2.15% 12MAR2020	2.150	03/12/2020	500,000.00	504,545.00 0.00	501,422.52 (151.33)	498,940.50 203.00	(2,482.02)	0.00	925.70	2,359.03	2.13
02665WBT7 AMERICAN HONDA FINANCE 1.95% 20JUL2020	1.950	07/20/2020	500,000.00	492,340.00 0.00	494,381.75 411.09	497,312.50 1,301.00	2,930.75	0.00	839.59	3,547.92	2.08
46625HQJ2 JPMORGAN CHASE & CO 2.55% 01MAR2021 (CALLABLE 01FEB21)	2.550	03/01/2021 02/01/2021	500,000.00	494,725.00 0.00	495,603.01 209.05	499,218.00 426.00	3,614.99	0.00	1,097.92	3,187.50	2.09
17325FAQ1 CITIBANK NA 3.4% 23JUL2021 (CALLABLE 23JUN21)	3.400	07/23/2021 06/23/2021	500,000.00	507,030.00 (6,044.44)	507,011.13 (18.87)	508,706.50 1,676.50	1,695.37	0.00	0.00	6,044.44	2.14

# SECURITIES HELD

## As of May 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Corporate Bonds</b>											
149123BX8 CATERPILLAR INC 2.6% 26JUN2022 (CALLABLE 26MAR22)	2.600	06/26/2022 03/26/2022	500,000.00	500,300.00 (5,200.00)	500,295.64 (4.36)	502,745.25 2,445.25	2,449.61	0.00	397.22	5,597.22	2.12
<b>Total Corporate Bonds</b>			<b>4,050,000.00</b>	<b>4,034,213.50</b> <b>(11,244.44)</b>	<b>4,043,801.78</b> <b>1,588.96</b>	<b>4,053,870.20</b> <b>7,354.95</b>	<b>10,068.42</b>	<b>0.00</b>	<b>5,740.43</b>	<b>30,153.75</b>	<b>17.06</b>
<b>Government Agencies</b>											
313379EE5 FEDERAL HOME LOAN BANK 1.625% 14JUN2019	1.625	06/14/2019	1,000,000.00	993,180.00 0.00	999,791.07 447.70	999,778.00 766.00	(13.07)	0.00	1,399.30	7,538.19	4.20
3135G0L76 FANNIE MAE 1.075% 11JUL2019 CALLABLE	1.075	07/11/2019	600,000.00	599,100.00 0.00	599,963.43 26.76	599,166.00 870.00	(797.43)	0.00	555.41	2,508.33	2.53
3133EGSCO FEDERAL FARM CREDIT BANK 1% 26AUG2019	1.000	08/26/2019	1,000,000.00	1,000,610.00 0.00	1,000,048.39 (16.89)	996,930.00 1,360.00	(3,118.39)	0.00	861.11	2,638.89	4.23
313380FB8 FEDERAL HOME LOAN BANK 1.375% 13SEP2019	1.375	09/13/2019	1,000,000.00	1,011,510.00 0.00	1,001,112.13 (323.92)	997,120.00 1,120.00	(3,992.13)	0.00	1,184.03	2,979.17	4.28
3134G3M49 FREDDIE MAC 1.5% 26SEP2019 CALLABLE	1.500	09/26/2019	1,000,000.00	1,001,001.00 0.00	1,000,146.24 (37.82)	997,260.00 1,270.00	(2,886.24)	0.00	1,291.66	2,708.33	4.23
3137EADM8 FREDDIE MAC 1.25% 02OCT2019	1.250	10/02/2019	1,650,000.00	1,634,040.00 0.00	1,645,901.90 1,007.73	1,644,028.65 2,377.65	(1,873.25)	0.00	1,776.04	3,380.21	6.91
3135G0R39 FANNIE MAE 1% 24OCT2019	1.000	10/24/2019	600,000.00	589,095.11 0.00	597,530.97 514.38	596,728.80 858.60	(802.17)	0.00	516.67	616.67	2.49
3130ABCH7 FEDERAL HOME LOAN BANK 1.5% 04NOV2019	1.500	11/04/2019	750,000.00	750,030.00 0.00	750,005.41 (1.05)	747,210.00 727.50	(2,795.41)	5,625.00	968.75	843.75	3.17

# SECURITIES HELD

## As of May 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Agencies</b>											
3133ECEY6 FEDERAL FARM CREDIT BANK 1.45% 11FEB2020	1.450	02/11/2020	1,000,000.00	1,003,130.00 0.00	1,000,672.63 (80.39)	994,810.00 1,840.00	(5,862.63)	0.00	1,248.62	4,430.56	4.24
3134G3K58 FREDDIE MAC 1.5% 19MAR2020 CALLABLE	1.500	03/19/2020	500,000.00	498,289.00 0.00	499,519.46 49.89	496,925.00 935.00	(2,594.46)	0.00	645.83	1,500.00	2.11
313383HU8 FEDERAL HOME LOAN BANK 1.75% 12JUN2020	1.750	06/12/2020	1,000,000.00	996,870.00 0.00	998,728.86 102.51	995,252.00 2,040.00	(3,476.86)	0.00	1,506.95	8,215.28	4.21
3133EHVX8 FEDERAL FARM CREDIT BANK 1.5% 24AUG2020	1.500	08/24/2020	1,000,000.00	999,190.00 0.00	999,661.67 22.86	993,570.00 4,500.00	(6,091.67)	0.00	1,291.67	4,041.67	4.22
3135G0RM7 FANNIE MAE 1.63% 30OCT2020 CALLABLE	1.630	10/30/2020	1,000,000.00	1,003,410.00 0.00	1,001,525.53 (86.74)	993,820.00 4,400.00	(7,705.53)	0.00	1,358.33	1,358.33	4.24
3133EJ4Q9 FEDERAL FARM CREDIT BANK 2.55% 11JAN2021	2.550	01/11/2021	500,000.00	499,100.00 0.00	499,260.40 38.19	504,160.00 2,400.00	4,899.60	0.00	1,097.91	4,958.33	2.11
313373ZY1 FEDERAL HOME LOAN BANK 3.625% 11JUN2021	3.625	06/11/2021	1,000,000.00	1,024,040.00 0.00	1,021,562.26 (884.91)	1,031,234.00 4,362.00	9,671.74	0.00	3,121.53	17,118.06	4.33
313378JP7 FEDERAL HOME LOAN BANK 2.375% 10SEP2021	2.375	09/10/2021	600,000.00	602,430.00 (2,612.50)	602,383.49 (46.51)	605,082.00 2,652.00	2,698.51	0.00	593.75	3,206.25	2.55
<b>Total Government Agencies</b>			<b>14,200,000.00</b>	<b>14,205,025.11</b> <b>(2,612.50)</b>	<b>14,217,813.84</b> <b>731.79</b>	<b>14,193,074.45</b> <b>32,478.75</b>	<b>(24,739.39)</b>	<b>5,625.00</b>	<b>19,417.56</b>	<b>68,042.02</b>	<b>60.06</b>
<b>Government Bonds</b>											
912828W55 USA TREASURY 1.625% 30JUN2019	1.625	06/30/2019	1,000,000.00	993,281.25 0.00	999,587.81 425.94	999,396.00 780.00	(191.81)	0.00	1,391.58	6,778.32	4.20

# SECURITIES HELD

## As of May 31, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Bonds</b>											
912828TV2 USA TREASURY 1.25% 31OCT2019	1.250	10/31/2019	650,000.00	649,009.77 0.00	649,836.03 33.22	647,029.50 863.20	(2,806.53)	0.00	684.44	684.44	2.74
912828H52 USA TREASURY 1.25% 31JAN2020	1.250	01/31/2020	750,000.00	745,869.14 0.00	748,939.14 134.23	744,668.25 1,289.25	(4,270.89)	0.00	802.84	3,107.74	3.15
912828X96 USA TREASURY 1.5% 15MAY2020	1.500	05/15/2020	600,000.00	596,554.69 0.00	598,685.00 116.48	595,758.00 1,195.20	(2,927.00)	4,500.00	764.23	391.30	2.52
912828XM7 USA TREASURY 1.625% 31JUL2020	1.625	07/31/2020	1,000,000.00	1,005,742.19 0.00	1,002,302.27 (167.14)	993,555.00 2,539.00	(8,747.27)	0.00	1,391.57	5,386.74	4.25
<b>Total Government Bonds</b>			<b>4,000,000.00</b>	<b>3,990,457.04</b> <b>0.00</b>	<b>3,999,350.25</b> <b>542.73</b>	<b>3,980,406.75</b> <b>6,666.65</b>	<b>(18,943.50)</b>	<b>4,500.00</b>	<b>5,034.66</b>	<b>16,348.54</b>	<b>16.87</b>
<b>Municipal/Provincial Bonds</b>											
888599LS4 PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	5.250	09/02/2032	1,387,200.00	1,387,200.00 0.00	1,387,200.00 0.00	1,387,200.00 0.00	0.00	0.00	6,271.30	18,004.70	5.87
<b>Total Municipal/Provincial Bonds</b>			<b>1,387,200.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6,271.30</b>	<b>18,004.70</b>	<b>5.87</b>
<b>Grand total</b>			<b>23,671,402.28</b>	<b>23,651,097.93</b> <b>(13,856.94)</b>	<b>23,682,368.15</b> <b>2,863.48</b>	<b>23,648,753.68</b> <b>46,500.35</b>	<b>(33,614.47)</b>	<b>10,125.00</b>	<b>36,463.95</b>	<b>132,549.01</b>	<b>100.00</b>



# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

## As of May 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Home Loan Banks</b>												
313379EE5	FEDERAL HOME LOAN	1.625	06/14/2019		AA+	Aaa	1,000,000.00	993,180.00	4.20	999,778.00	4.23	0.04
313380FB8	FEDERAL HOME LOAN	1.375	09/13/2019		AA+	Aaa	1,000,000.00	1,011,510.00	4.28	997,120.00	4.22	0.29
3130ABCH7	FEDERAL HOME LOAN	1.500	11/04/2019		AA+	Aaa	750,000.00	750,030.00	3.17	747,210.00	3.16	0.43
313383HU8	FEDERAL HOME LOAN	1.750	06/12/2020		AA+	Aaa	1,000,000.00	996,870.00	4.21	995,252.00	4.21	1.01
313373ZY1	FEDERAL HOME LOAN	3.625	06/11/2021		AA+	Aaa	1,000,000.00	1,024,040.00	4.33	1,031,234.00	4.36	1.92
313378JP7	FEDERAL HOME LOAN	2.375	09/10/2021		AA+	Aaa	600,000.00	602,430.00	2.55	605,082.00	2.56	2.19
<b>Issuer total</b>							<b>5,350,000.00</b>	<b>5,378,060.00</b>	<b>22.74</b>	<b>5,375,676.00</b>	<b>22.73</b>	<b>0.92</b>
<b>United States Treasury Note/Bond</b>												
912828W55	USA TREASURY 1.625%	1.625	06/30/2019		AA+	Aaa	1,000,000.00	993,281.25	4.20	999,396.00	4.23	0.08
912828TV2	USA TREASURY 1.25%	1.250	10/31/2019		AA+	Aaa	650,000.00	649,009.77	2.74	647,029.50	2.74	0.41
912828H52	USA TREASURY 1.25%	1.250	01/31/2020		AA+	Aaa	750,000.00	745,869.14	3.15	744,668.25	3.15	0.66
912828X96	USA TREASURY 1.5%	1.500	05/15/2020		AA+	Aaa	600,000.00	596,554.69	2.52	595,758.00	2.52	0.99
912828XM7	USA TREASURY 1.625%	1.625	07/31/2020		AA+	Aaa	1,000,000.00	1,005,742.19	4.25	993,555.00	4.20	1.14
<b>Issuer total</b>							<b>4,000,000.00</b>	<b>3,990,457.04</b>	<b>16.87</b>	<b>3,980,406.75</b>	<b>16.83</b>	<b>0.65</b>
<b>Federal Farm Credit Banks</b>												
3133EGSC0	FEDERAL FARM CREDIT	1.000	08/26/2019		AA+	Aaa	1,000,000.00	1,000,610.00	4.23	996,930.00	4.22	0.24
3133ECEY6	FEDERAL FARM CREDIT	1.450	02/11/2020		AA+	Aaa	1,000,000.00	1,003,130.00	4.24	994,810.00	4.21	0.69
3133EHVX8	FEDERAL FARM CREDIT	1.500	08/24/2020		AA+	Aaa	1,000,000.00	999,190.00	4.22	993,570.00	4.20	1.21
3133EJ4Q9	FEDERAL FARM CREDIT	2.550	01/11/2021		AA+	Aaa	500,000.00	499,100.00	2.11	504,160.00	2.13	1.56
<b>Issuer total</b>							<b>3,500,000.00</b>	<b>3,502,030.00</b>	<b>14.81</b>	<b>3,489,470.00</b>	<b>14.76</b>	<b>0.83</b>
<b>Federal Home Loan Mortgage Corp</b>												
3134G3M49	FREDDIE MAC 1.5%	1.500	09/26/2019		AA+	Aaa	1,000,000.00	1,001,001.00	4.23	997,260.00	4.22	0.32
3137EADM8	FREDDIE MAC 1.25%	1.250	10/02/2019		AA+	Aaa	1,650,000.00	1,634,040.00	6.91	1,644,028.65	6.95	0.34

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of May 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Home Loan Mortgage Corp</b>												
3134G3K58	FREDDIE MAC 1.5%	1.500	03/19/2020		AA+	Aaa	500,000.00	498,289.00	2.11	496,925.00	2.10	0.79
<b>Issuer total</b>							<b>3,150,000.00</b>	<b>3,133,330.00</b>	<b>13.25</b>	<b>3,138,213.65</b>	<b>13.27</b>	<b>0.41</b>
<b>Federal National Mortgage Association</b>												
3135G0L76	FANNIE MAE 1.075%	1.075	07/11/2019		AA+	Aaa	600,000.00	599,100.00	2.53	599,166.00	2.53	0.11
3135G0R39	FANNIE MAE 1%	1.000	10/24/2019		AA+	Aaa	600,000.00	589,095.11	2.49	596,728.80	2.52	0.40
3135G0RM7	FANNIE MAE 1.63%	1.630	10/30/2020		AA+	Aaa	1,000,000.00	1,003,410.00	4.24	993,820.00	4.20	1.39
<b>Issuer total</b>							<b>2,200,000.00</b>	<b>2,191,605.11</b>	<b>9.27</b>	<b>2,189,714.80</b>	<b>9.26</b>	<b>0.77</b>
<b>PT. SAN ASSESS DISTRICT</b>												
888599LS4	PT. SAN ASSESS	5.250	09/02/2032		NR	NR	1,387,200.00	1,387,200.00	5.87	1,387,200.00	5.87	9.39
<b>Issuer total</b>							<b>1,387,200.00</b>	<b>1,387,200.00</b>	<b>5.87</b>	<b>1,387,200.00</b>	<b>5.87</b>	<b>9.39</b>
<b>Berkshire Hathaway Inc</b>												
084670BL1	BERKSHIRE HATHAWAY	2.100	08/14/2019		AA	Aa2	550,000.00	547,453.50	2.31	549,520.95	2.32	0.20
<b>Issuer total</b>							<b>550,000.00</b>	<b>547,453.50</b>	<b>2.31</b>	<b>549,520.95</b>	<b>2.32</b>	<b>0.20</b>
<b>Citibank NA</b>												
17325FAQ1	CITIBANK NA 3.4%	3.400	07/23/2021	06/23/2021	A+	Aa3	500,000.00	507,030.00	2.14	508,706.50	2.15	1.97
<b>Issuer total</b>							<b>500,000.00</b>	<b>507,030.00</b>	<b>2.14</b>	<b>508,706.50</b>	<b>2.15</b>	<b>1.97</b>
<b>Caterpillar Inc</b>												
149123BX8	CATERPILLAR INC 2.6%	2.600	06/26/2022	03/26/2022	A	A3	500,000.00	500,300.00	2.12	502,745.25	2.13	2.76
<b>Issuer total</b>							<b>500,000.00</b>	<b>500,300.00</b>	<b>2.12</b>	<b>502,745.25</b>	<b>2.13</b>	<b>2.76</b>
<b>JPMorgan Chase &amp; Co</b>												
46625HQJ2	JPMORGAN CHASE & CO	2.550	03/01/2021	02/01/2021	A-	A2	500,000.00	494,725.00	2.09	499,218.00	2.11	1.64
<b>Issuer total</b>							<b>500,000.00</b>	<b>494,725.00</b>	<b>2.09</b>	<b>499,218.00</b>	<b>2.11</b>	<b>1.64</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of May 31, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>PNC Bank NA</b>												
69353REX2	PNC BANK NA 1.45%	1.450	07/29/2019	06/29/2019	A	A2	500,000.00	494,490.00	2.09	499,121.00	2.11	0.16
<b>Issuer total</b>							<b>500,000.00</b>	<b>494,490.00</b>	<b>2.09</b>	<b>499,121.00</b>	<b>2.11</b>	<b>0.16</b>
<b>Toyota Motor Credit Corp</b>												
89236TCF0	TOYOTA MOTOR CREDIT	2.150	03/12/2020		AA-	Aa3	500,000.00	504,545.00	2.13	498,940.50	2.11	0.77
<b>Issuer total</b>							<b>500,000.00</b>	<b>504,545.00</b>	<b>2.13</b>	<b>498,940.50</b>	<b>2.11</b>	<b>0.77</b>
<b>US Bank NA/Cincinnati OH</b>												
90331HNB5	US BANK NA CINCINNATI	2.000	01/24/2020	12/24/2019	AA-	A1	500,000.00	493,330.00	2.09	498,305.50	2.11	0.62
<b>Issuer total</b>							<b>500,000.00</b>	<b>493,330.00</b>	<b>2.09</b>	<b>498,305.50</b>	<b>2.11</b>	<b>0.62</b>
<b>American Honda Finance Corp</b>												
02665WBT7	AMERICAN HONDA	1.950	07/20/2020		A	A2	500,000.00	492,340.00	2.08	497,312.50	2.10	1.11
<b>Issuer total</b>							<b>500,000.00</b>	<b>492,340.00</b>	<b>2.08</b>	<b>497,312.50</b>	<b>2.10</b>	<b>1.11</b>
<b>Cash and Cash Equivalents</b>												
	INVESTED CASH	0.000					34,202.28	34,202.28	0.00	34,202.28	0.14	0.00
<b>Issuer total</b>							<b>34,202.28</b>	<b>34,202.28</b>	<b>0.00</b>	<b>34,202.28</b>	<b>0.14</b>	<b>0.00</b>
<b>Grand total</b>							<b>23,671,402.28</b>	<b>23,651,097.93</b>	<b>100.00</b>	<b>23,648,753.68</b>	<b>100.00</b>	<b>1.31</b>

# SECURITIES PURCHASED

For the period May 1, 2019 - May 31, 2019

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
<b>Corporate Bonds</b>							
149123BX8 CATERPILLAR INC 2.6% 26JUN2022 (CALLABLE 26MAR22) BARCLAYS BANK PLC	05/16/2019 05/20/2019	2.600	06/26/2022 03/26/2022	500,000.00	100.06	(500,300.00)	(5,200.00)
17325FAQ1 CITIBANK NA 3.4% 23JUL2021 (CALLABLE 23JUN21) BANK OF AMERICA, N.A.	05/29/2019 05/31/2019	3.400	07/23/2021 06/23/2021	500,000.00	101.41	(507,030.00)	(6,044.44)
<b>Total Corporate Bonds</b>				<b>1,000,000.00</b>		<b>(1,007,330.00)</b>	<b>(11,244.44)</b>
<b>Government Agencies</b>							
313378JP7 FEDERAL HOME LOAN BANK 2.375% 10SEP2021 KEYBANK NATIONAL ASSOCIATION	05/15/2019 05/16/2019	2.375	09/10/2021	600,000.00	100.41	(602,430.00)	(2,612.50)
<b>Total Government Agencies</b>				<b>600,000.00</b>		<b>(602,430.00)</b>	<b>(2,612.50)</b>
<b>Grand total</b>				<b>1,600,000.00</b>		<b>(1,609,760.00)</b>	<b>(13,856.94)</b>

# SECURITIES SOLD AND MATURED

For the period May 1, 2019 - May 31, 2019

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Interest earned
<b>Corporate Bonds</b>												
14912L6R7 CATERPILLAR FINL SVCS CORP MEDIUM TERM NTRANCHE # TR 00880 1.35% DUE 05-18-2019	05/20/2019 05/20/2019	1.350		(500,000.00)	498,245.00	500,000.00 33.79	0.00	500,000.00 346.50	0.00	0.00	3,375.00	337.50
<b>Total (Corporate Bonds)</b>				<b>(500,000.00)</b>	<b>498,245.00</b>	<b>500,000.00 33.79</b>		<b>500,000.00 346.50</b>	<b>0.00</b>	<b>0.00</b>	<b>3,375.00</b>	<b>337.50</b>
<b>Government Agencies</b>												
3133X72S2 FHLB BD 5.375 05-15-2019	05/15/2019 05/15/2019	5.375		(500,000.00)	515,625.00	500,000.00 (626.67)	0.00	500,000.00 (570.00)	0.00	0.00	13,437.50	1,119.79
<b>Total (Government Agencies)</b>				<b>(500,000.00)</b>	<b>515,625.00</b>	<b>500,000.00 (626.67)</b>		<b>500,000.00 (570.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>13,437.50</b>	<b>1,119.79</b>
<b>Government Bonds</b>												
912828WL0 USA TREASURY 1.5% 31MAY2019	05/31/2019 05/31/2019	1.500		(500,000.00)	501,230.47	500,000.00 (46.75)	0.00	500,000.00 380.50	0.00	0.00	3,750.00	638.74
<b>Total (Government Bonds)</b>				<b>(500,000.00)</b>	<b>501,230.47</b>	<b>500,000.00 (46.75)</b>		<b>500,000.00 380.50</b>	<b>0.00</b>	<b>0.00</b>	<b>3,750.00</b>	<b>638.74</b>
<b>Grand total</b>				<b>(1,500,000.00)</b>	<b>1,515,100.47</b>	<b>1,500,000.00 (639.63)</b>		<b>1,500,000.00 157.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,562.50</b>	<b>2,096.03</b>

# TRANSACTION REPORT

For the period May 1, 2019 - May 31, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
05/04/2019 05/04/2019	3130ABCH7	Income	Government Agencies	FEDERAL HOME LOAN BANK	11/04/2019	750,000.00	0.00	0.00	5,625.00	5,625.00
05/15/2019 05/16/2019	313378JP7	Bought	Government Agencies	FEDERAL HOME LOAN BANK	09/10/2021	600,000.00	0.00	(602,430.00)	(2,612.50)	(605,042.50)
05/15/2019 05/15/2019	3133X72S2	Income	Government Agencies	FHLB BD 5.375 05-15-2019	05/15/2019	500,000.00	0.00	0.00	13,437.50	13,437.50
05/15/2019 05/15/2019	3133X72S2	Capital Change	Government Agencies	FHLB BD 5.375 05-15-2019	05/15/2019	(500,000.00)	0.00	500,000.00	0.00	500,000.00
05/15/2019 05/15/2019	912828X96	Income	Government Bonds	USA TREASURY 1.5%	05/15/2020	600,000.00	0.00	0.00	4,500.00	4,500.00
05/16/2019 05/20/2019	149123BX8	Bought	Corporate Bonds	CATERPILLAR INC 2.6%	06/26/2022	500,000.00	0.00	(500,300.00)	(5,200.00)	(505,500.00)
05/18/2019 05/18/2019	14912L6R7	Income	Corporate Bonds	CATERPILLAR FINL SVCS CORP	05/18/2019	500,000.00	0.00	0.00	3,375.00	3,375.00
05/20/2019 05/20/2019	14912L6R7	Capital Change	Corporate Bonds	CATERPILLAR FINL SVCS CORP	05/18/2019	(500,000.00)	0.00	500,000.00	0.00	500,000.00
05/29/2019 05/31/2019	17325FAQ1	Bought	Corporate Bonds	CITIBANK NA 3.4% 23JUL2021	07/23/2021	500,000.00	0.00	(507,030.00)	(6,044.44)	(513,074.44)
05/31/2019 05/31/2019	912828WL0	Income	Government Bonds	USA TREASURY 1.5%	05/31/2019	500,000.00	0.00	0.00	3,750.00	3,750.00
05/31/2019 05/31/2019	912828WL0	Capital Change	Government Bonds	USA TREASURY 1.5%	05/31/2019	(500,000.00)	0.00	500,000.00	0.00	500,000.00
05/31/2019		Income	Cash and Cash Equivalent	Cash		0.00	0.00	0.00	188.36	188.36

# ADDITIONAL INFORMATION

## As of May 31, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategies holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

# ADDITIONAL INFORMATION

## As of May 31, 2019

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# SAN RAFAEL

June 2019

Part of  BNY MELLON

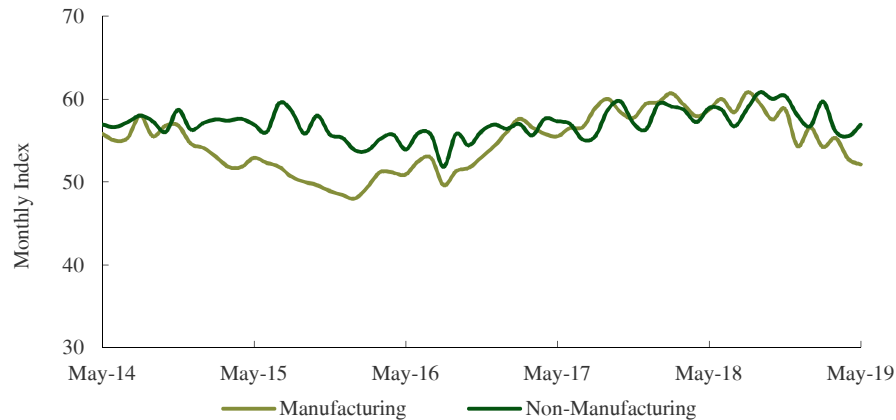


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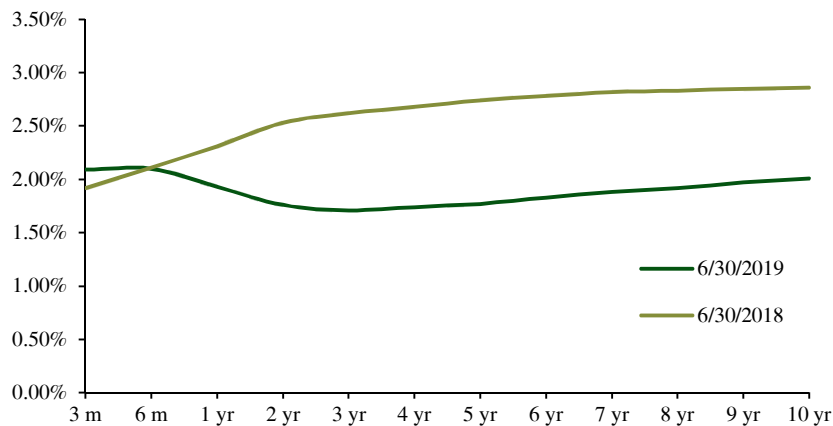
As of June 30, 2019

Chart 1: ISM Manufacturing & Non-Manufacturing Indices: 5/31/2014-5/31/2019



Source: Bloomberg Finance LP, June 30, 2019.

Chart 2: Treasury yield curve: 6/30/2018 and 6/30/2019



Source: Bloomberg Finance LP, June 30, 2019.

### Economic Indicators and Monetary Policy

Interest rates decreased across the yield curve in June fueled by softening in some economic indicators, trade tensions, and comments by the Federal Reserve. The Institute for Supply Management (ISM) Manufacturing Index was released on June 3 and reached a 31-month low of 52.1 in May versus 52.8 in April. On June 5, the ISM Non-manufacturing Index for May surprised to the upside, increasing to 56.9 compared to an April reading of 55.5. (See Chart 1)

The employment report released on June 7 showed that non-farm payrolls increased by 75,000 in May compared to expectation for 175,000 new jobs and the prior month gains were revised lower to 224,000 from 263,000. The unemployment rate was unchanged from April at 3.6% while the underemployment rate, which includes marginally attached workers, decreased to 7.1% in May from 7.3% in April. Average hourly earnings increased 0.2% in May for annual growth of 3.1% compared to 3.2% in April.

On June 19, the Federal Open Market Committee (FOMC) voted to maintain the target range for the federal funds rate at 2.25% to 2.50%. The FOMC statement and comments by Chair Powell were more dovish than expected. The statement removed reference to a “patient” approach to policy, and Chair Powell noted that the FOMC would “act as appropriate to sustain the expansion”. The committee’s ‘dot plot’ continued to project a median expectation for no policy rate cuts this year, but seven members (up from zero last quarter) now expect two rate cuts this year. The FOMC reduced its near-term inflation forecasts and also hinted at uncertainties relating to the evolution of trade tensions.

At the end of June, President Trump prepared to travel to the two-day G20 summit in Osaka, where a meeting is expected between Presidents Trump and Xi. While tariffs are likely to be the main topic of discussion, reports indicate that President Trump will look to address intellectual property theft and industrial subsidies as well.

### Interest Rate Summary

At the end of June, the 3-month US Treasury bill yielded 2.09%, the 6-month US Treasury bill yielded 2.10%, the 2-year US Treasury note yielded 1.76%, the 5-year US Treasury note yielded 1.77% and the 10-year US Treasury note yielded 2.01%. (See Chart 2).

# ACTIVITY AND PERFORMANCE SUMMARY

For the period June 1, 2019 - June 30, 2019

<u>Amortized Cost Basis Activity Summary</u>		
<b>Opening balance</b>		23,682,368.15
Income received	35,216.74	
<b>Total receipts</b>		35,216.74
Expenses paid	(139.13)	
<b>Total disbursements</b>		(139.13)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Realized gain (loss)		0.00
<b>Total amortization expense</b>		(2,427.02)
<b>Total OID/MKT accretion income</b>		4,421.70
Return of capital		0.00
<b>Closing balance</b>		23,719,440.44
<b>Ending fair value</b>		23,727,176.49
Unrealized gain (loss)		7,736.05

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	175.07	0.00	0.00	175.07
Corporate Bonds	7,415.12	1,320.35	0.00	8,735.47
Government Agencies	19,233.83	149.13	0.00	19,382.96
Government Bonds	4,873.73	525.20	0.00	5,398.93
Municipal/Provincial Bonds	5,866.70	0.00	0.00	5,866.70
<b>Total</b>	<b>37,564.45</b>	<b>1,994.68</b>	<b>0.00</b>	<b>39,559.13</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.24	1.19	0.19
Overnight Repo	2.33	1.22	0.20
Merrill Lynch 3m US Treas Bill	2.25	1.16	0.17
Merrill Lynch 6m US Treas Bill	2.33	1.16	0.16
ML 1 Year US Treasury Note	2.49	1.19	0.16
ML 2 Year US Treasury Note	2.53	1.14	0.15
ML 5 Year US Treasury Note	2.57	1.14	0.15

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	37,564.45
Accretion (amortization)	1,994.68
Realized gain (loss) on sales	0.00
Total income on portfolio	39,559.13
Average daily amortized cost	23,703,056.48
Period return (%)	0.17
YTD return (%)	0.99
Weighted average final maturity in days	587

# ACTIVITY AND PERFORMANCE SUMMARY

For the period June 1, 2019 - June 30, 2019

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		23,648,753.68
Income received	35,216.74	
<b>Total receipts</b>		35,216.74
Expenses paid	(139.13)	
<b>Total disbursements</b>		(139.13)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		43,345.20
<b>Ending fair value</b>		23,727,176.49

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	175.07	0.00	175.07
Corporate Bonds	7,415.12	10,680.50	18,095.62
Government Agencies	19,233.83	24,661.20	43,895.03
Government Bonds	4,873.73	8,003.50	12,877.23
Municipal/Provincial Bonds	5,866.70	0.00	5,866.70
<b>Total</b>	<b>37,564.45</b>	<b>43,345.20</b>	<b>80,909.65</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.24	1.19	0.19
Overnight Repo	2.33	1.22	0.20
ICE ML 3m US Treas Bill	2.31	1.24	0.22
ICE ML 6m US Treas Bill	2.51	1.38	0.27
ICE ML 1 Year US Treasury Note	2.98	1.76	0.40
ICE ML US Treasury 1-3	3.96	2.44	0.52
ICE ML US Treasury 1-5	4.89	3.06	0.65

\* rates reflected are cumulative

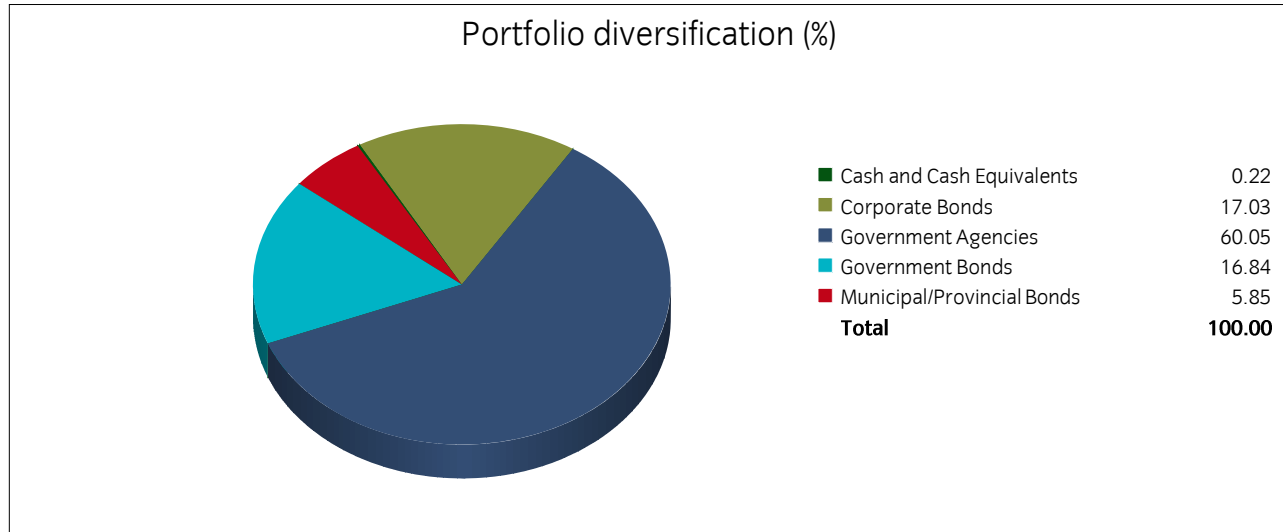
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	37,564.45
Change in fair value	43,345.20
Total income on portfolio	80,909.65
Average daily total value *	23,824,680.34
Period return (%)	0.34
YTD return (%)	1.80
Weighted average final maturity in days	587

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of June 30, 2019

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	52,949.89	52,949.89	52,949.89	0.00	1	0.22	0.00
Corporate Bonds	4,034,213.50	4,045,122.13	4,064,550.70	19,428.57	421	17.03	1.07
Government Agencies	14,228,175.11	14,234,292.97	14,234,065.65	(227.32)	329	60.05	0.87
Government Bonds	3,990,457.04	3,999,875.45	3,988,410.25	(11,465.20)	210	16.84	0.56
Municipal/Provincial Bonds	1,387,200.00	1,387,200.00	1,387,200.00	0.00	4,815	5.85	9.33
<b>Total</b>	<b>23,692,995.54</b>	<b>23,719,440.44</b>	<b>23,727,176.49</b>	<b>7,736.05</b>	<b>587</b>	<b>100.00</b>	<b>1.35</b>

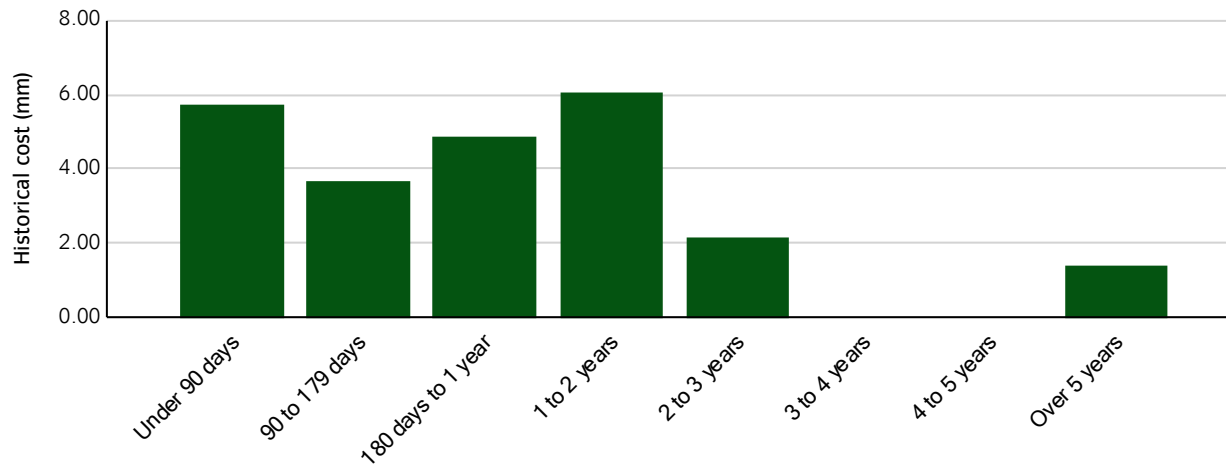


# MATURITY DISTRIBUTION OF SECURITIES HELD

As of June 30, 2019

Maturity	Historic cost	Percent
Under 90 days	5,700,395.64	24.06
90 to 179 days	3,622,174.88	15.29
180 days to 1 year	4,838,587.83	20.42
1 to 2 years	6,025,577.19	25.43
2 to 3 years	2,119,060.00	8.94
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	1,387,200.00	5.86
	<b>23,692,995.54</b>	<b>100.00</b>

Maturity distribution



# SECURITIES HELD

## As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>											
Cash and Cash Equivalents	0.000		52,949.89	52,949.89 0.00	52,949.89 0.00	52,949.89 0.00	0.00	0.00	0.00	0.00	0.22
<b>Total Cash and Cash Equivalents</b>			<b>52,949.89</b>	<b>52,949.89</b> <b>0.00</b>	<b>52,949.89</b> <b>0.00</b>	<b>52,949.89</b> <b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.22</b>
<b>Corporate Bonds</b>											
69353REX2 PNC BANK NA 1.45% 29JUL2019 CALLABLE	1.450	07/29/2019	500,000.00	494,490.00 0.00	499,539.51 476.37	499,655.00 534.00	115.49	0.00	584.03	3,040.97	2.09
084670BL1 BERKSHIRE HATHAWAY INC 2.1% 14AUG2019	2.100	08/14/2019	550,000.00	547,453.50 0.00	549,662.51 230.10	549,804.20 283.25	141.69	0.00	930.41	4,363.33	2.31
90331HNB5 US BANK NA CINCINNATI 2% 24JAN2020 (CALLABLE 24DEC19)	2.000	01/24/2020 12/24/2019	500,000.00	493,330.00 0.00	497,029.08 436.90	499,388.50 1,083.00	2,359.42	0.00	805.55	4,333.33	2.08
89236TCF0 TOYOTA MOTOR CREDIT CORP 2.15% 12MAR2020	2.150	03/12/2020	500,000.00	504,545.00 0.00	501,271.19 (151.33)	499,754.00 813.50	(1,517.19)	0.00	865.97	3,225.00	2.13
02665WBT7 AMERICAN HONDA FINANCE 1.95% 20JUL2020	1.950	07/20/2020	500,000.00	492,340.00 0.00	494,792.84 411.09	498,368.50 1,056.00	3,575.66	0.00	785.41	4,333.33	2.08
46625HQJ2 JPMORGAN CHASE & CO 2.55% 01MAR2021 (CALLABLE 01FEB21)	2.550	03/01/2021 02/01/2021	500,000.00	494,725.00 0.00	495,812.05 209.04	501,745.50 2,527.50	5,933.45	0.00	1,027.08	4,214.58	2.09
17325FAQ1 CITIBANK NA 3.4% 23JUL2021 (CALLABLE 23JUN21)	3.400	07/23/2021 06/23/2021	500,000.00	507,030.00 0.00	506,728.04 (283.09)	510,641.50 1,935.00	3,913.46	0.00	1,369.45	7,413.89	2.14



# SECURITIES HELD

## As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Corporate Bonds</b>											
149123BX8 CATERPILLAR INC 2.6% 26JUN2022 (CALLABLE 26MAR22)	2.600	06/26/2022 03/26/2022	500,000.00	500,300.00 0.00	500,286.91 (8.73)	505,193.50 2,448.25	4,906.59	6,500.00	1,047.22	144.44	2.11
<b>Total Corporate Bonds</b>			<b>4,050,000.00</b>	<b>4,034,213.50 0.00</b>	<b>4,045,122.13 1,320.35</b>	<b>4,064,550.70 10,680.50</b>	<b>19,428.57</b>	<b>6,500.00</b>	<b>7,415.12</b>	<b>31,068.87</b>	<b>17.03</b>
<b>Government Agencies</b>											
3135G0L76 FANNIE MAE 1.075% 11JUL2019 CALLABLE	1.075	07/11/2019	600,000.00	599,100.00 0.00	599,990.19 26.76	599,796.00 630.00	(194.19)	0.00	519.59	3,027.92	2.53
3133EGSCO FEDERAL FARM CREDIT BANK 1% 26AUG2019	1.000	08/26/2019	1,000,000.00	1,000,610.00 0.00	1,000,031.51 (16.88)	998,270.00 1,340.00	(1,761.51)	0.00	805.55	3,444.44	4.22
313380FB8 FEDERAL HOME LOAN BANK 1.375% 13SEP2019	1.375	09/13/2019	1,000,000.00	1,011,510.00 0.00	1,000,788.21 (323.92)	998,310.00 1,190.00	(2,478.21)	0.00	1,107.64	4,086.81	4.27
3134G3M49 FREDDIE MAC 1.5% 26SEP2019 CALLABLE	1.500	09/26/2019	1,000,000.00	1,001,001.00 0.00	1,000,108.42 (37.82)	998,300.00 1,040.00	(1,808.42)	0.00	1,208.34	3,916.67	4.22
3137EADM8 FREDDIE MAC 1.25% 02OCT2019	1.250	10/02/2019	1,650,000.00	1,634,040.00 0.00	1,646,909.63 1,007.73	1,645,998.75 1,970.10	(910.88)	0.00	1,661.46	5,041.67	6.90
3135G0R39 FANNIE MAE 1% 24OCT2019	1.000	10/24/2019	600,000.00	589,095.11 0.00	598,045.35 514.38	597,785.40 1,056.60	(259.95)	0.00	483.33	1,100.00	2.49
3130ABCH7 FEDERAL HOME LOAN BANK 1.5% 04NOV2019	1.500	11/04/2019	750,000.00	750,030.00 0.00	750,004.36 (1.05)	748,222.50 1,012.50	(1,781.86)	0.00	906.25	1,750.00	3.17
3133ECEY6 FEDERAL FARM CREDIT BANK 1.45% 11FEB2020	1.450	02/11/2020	1,000,000.00	1,003,130.00 0.00	1,000,592.23 (80.40)	996,740.00 1,930.00	(3,852.23)	0.00	1,168.05	5,598.61	4.23

# SECURITIES HELD

## As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Agencies</b>											
3134G3K58 FREDDIE MAC 1.5% 19MAR2020 CALLABLE	1.500	03/19/2020	500,000.00	498,289.00 0.00	499,569.34 49.88	498,290.00 1,365.00	(1,279.34)	0.00	604.17	2,104.17	2.10
313383HU8 FEDERAL HOME LOAN BANK 1.75% 12JUN2020	1.750	06/12/2020	1,000,000.00	996,870.00 0.00	998,831.38 102.52	997,480.00 2,228.00	(1,351.38)	8,750.00	1,409.72	875.00	4.21
3133EHVX8 FEDERAL FARM CREDIT BANK 1.5% 24AUG2020	1.500	08/24/2020	1,000,000.00	999,190.00 0.00	999,684.53 22.86	994,230.00 660.00	(5,454.53)	0.00	1,208.33	5,250.00	4.22
3135G0RM7 FANNIE MAE 1.63% 30OCT2020 CALLABLE	1.630	10/30/2020	1,000,000.00	1,003,410.00 0.00	1,001,432.80 (92.73)	996,650.00 2,830.00	(4,782.80)	0.00	1,358.34	2,716.67	4.24
3133EJ4Q9 FEDERAL FARM CREDIT BANK 2.55% 11JAN2021	2.550	01/11/2021	500,000.00	499,100.00 0.00	499,298.59 38.19	505,275.00 1,115.00	5,976.41	0.00	1,027.09	5,985.42	2.11
313373ZY1 FEDERAL HOME LOAN BANK 3.625% 11JUN2021	3.625	06/11/2021	1,000,000.00	1,024,040.00 0.00	1,020,677.35 (884.91)	1,033,707.00 2,473.00	13,029.65	18,125.00	2,920.13	1,913.19	4.32
313378JP7 FEDERAL HOME LOAN BANK 2.375% 10SEP2021	2.375	09/10/2021	600,000.00	602,430.00 0.00	602,296.29 (87.20)	606,846.00 1,764.00	4,549.71	0.00	1,147.92	4,354.17	2.54
313378WG2 FEDERAL HOME LOAN BANK 2.5% 11MAR2022	2.500	03/11/2022	1,000,000.00	1,016,330.00 (6,458.33)	1,016,032.79 (297.21)	1,018,165.00 1,835.00	2,132.21	0.00	1,111.11	7,569.44	4.29
<b>Total Government Agencies</b>			<b>14,200,000.00</b>	<b>14,228,175.11</b> <b>(6,458.33)</b>	<b>14,234,292.97</b> <b>(59.80)</b>	<b>14,234,065.65</b> <b>24,439.20</b>	<b>(227.32)</b>	<b>26,875.00</b>	<b>18,647.02</b>	<b>58,734.18</b>	<b>60.05</b>
<b>Government Bonds</b>											
912828W55 USA TREASURY 1.625% 30JUN2019	1.625	06/30/2019	1,000,000.00	993,281.25 0.00	1,000,000.00 412.19	1,000,000.00 604.00	0.00	0.00	1,346.68	8,125.00	4.19

# SECURITIES HELD

## As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Bonds</b>											
912828TV2 USA TREASURY 1.25% 31OCT2019	1.250	10/31/2019	650,000.00	649,009.77 0.00	649,868.18 32.15	648,070.15 1,040.65	(1,798.03)	0.00	669.73	1,354.17	2.74
912828H52 USA TREASURY 1.25% 31JAN2020	1.250	01/31/2020	750,000.00	745,869.14 0.00	749,069.04 129.90	746,308.50 1,640.25	(2,760.54)	0.00	776.93	3,884.67	3.15
912828X96 USA TREASURY 1.5% 15MAY2020	1.500	05/15/2020	600,000.00	596,554.69 0.00	598,797.71 112.71	597,351.60 1,593.60	(1,446.11)	0.00	733.70	1,125.00	2.52
912828XM7 USA TREASURY 1.625% 31JUL2020	1.625	07/31/2020	1,000,000.00	1,005,742.19 0.00	1,002,140.52 (161.75)	996,680.00 3,125.00	(5,460.52)	0.00	1,346.69	6,733.43	4.24
<b>Total Government Bonds</b>			<b>4,000,000.00</b>	<b>3,990,457.04</b> <b>0.00</b>	<b>3,999,875.45</b> <b>525.20</b>	<b>3,988,410.25</b> <b>8,003.50</b>	<b>(11,465.20)</b>	<b>0.00</b>	<b>4,873.73</b>	<b>21,222.27</b>	<b>16.84</b>
<b>Municipal/Provincial Bonds</b>											
888599LS4 PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	5.250	09/02/2032	1,387,200.00	1,387,200.00 0.00	1,387,200.00 0.00	1,387,200.00 0.00	0.00	0.00	5,866.70	23,871.40	5.85
<b>Total Municipal/Provincial Bonds</b>			<b>1,387,200.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>1,387,200.00</b> <b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,866.70</b>	<b>23,871.40</b>	<b>5.85</b>
<b>Grand total</b>			<b>23,690,149.89</b>	<b>23,692,995.54</b> <b>(6,458.33)</b>	<b>23,719,440.44</b> <b>1,785.75</b>	<b>23,727,176.49</b> <b>43,123.20</b>	<b>7,736.05</b>	<b>33,375.00</b>	<b>36,802.57</b>	<b>134,896.72</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of June 30, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Home Loan Banks</b>												
313380FB8	FEDERAL HOME LOAN	1.375	09/13/2019		AA+	Aaa	1,000,000.00	1,011,510.00	4.27	998,310.00	4.21	0.21
3130ABCH7	FEDERAL HOME LOAN	1.500	11/04/2019		AA+	Aaa	750,000.00	750,030.00	3.17	748,222.50	3.15	0.35
313383HU8	FEDERAL HOME LOAN	1.750	06/12/2020		AA+	Aaa	1,000,000.00	996,870.00	4.21	997,480.00	4.20	0.94
313373ZY1	FEDERAL HOME LOAN	3.625	06/11/2021		AA+	Aaa	1,000,000.00	1,024,040.00	4.32	1,033,707.00	4.36	1.87
313378JP7	FEDERAL HOME LOAN	2.375	09/10/2021		AA+	Aaa	600,000.00	602,430.00	2.54	606,846.00	2.56	2.11
313378WG2	FEDERAL HOME LOAN	2.500	03/11/2022		AA+	Aaa	1,000,000.00	1,016,330.00	4.29	1,018,165.00	4.29	2.58
<b>Issuer total</b>							<b>5,350,000.00</b>	<b>5,401,210.00</b>	<b>22.80</b>	<b>5,402,730.50</b>	<b>22.77</b>	<b>1.34</b>
<b>United States Treasury Note/Bond</b>												
912828W55	USA TREASURY 1.625%	1.625	06/30/2019		AA+	Aaa	1,000,000.00	993,281.25	4.19	1,000,000.00	4.21	0.01
912828TV2	USA TREASURY 1.25%	1.250	10/31/2019		AA+	Aaa	650,000.00	649,009.77	2.74	648,070.15	2.73	0.34
912828H52	USA TREASURY 1.25%	1.250	01/31/2020		AA+	Aaa	750,000.00	745,869.14	3.15	746,308.50	3.15	0.58
912828X96	USA TREASURY 1.5%	1.500	05/15/2020		AA+	Aaa	600,000.00	596,554.69	2.52	597,351.60	2.52	0.87
912828XM7	USA TREASURY 1.625%	1.625	07/31/2020		AA+	Aaa	1,000,000.00	1,005,742.19	4.24	996,680.00	4.20	1.06
<b>Issuer total</b>							<b>4,000,000.00</b>	<b>3,990,457.04</b>	<b>16.84</b>	<b>3,988,410.25</b>	<b>16.81</b>	<b>0.56</b>
<b>Federal Farm Credit Banks</b>												
3133EGSC0	FEDERAL FARM CREDIT	1.000	08/26/2019		AA+	Aaa	1,000,000.00	1,000,610.00	4.22	998,270.00	4.21	0.16
3133ECEY6	FEDERAL FARM CREDIT	1.450	02/11/2020		AA+	Aaa	1,000,000.00	1,003,130.00	4.23	996,740.00	4.20	0.61
3133EHVX8	FEDERAL FARM CREDIT	1.500	08/24/2020		AA+	Aaa	1,000,000.00	999,190.00	4.22	994,230.00	4.19	1.13
3133EJ4Q9	FEDERAL FARM CREDIT	2.550	01/11/2021		AA+	Aaa	500,000.00	499,100.00	2.11	505,275.00	2.13	1.48
<b>Issuer total</b>							<b>3,500,000.00</b>	<b>3,502,030.00</b>	<b>14.78</b>	<b>3,494,515.00</b>	<b>14.73</b>	<b>0.75</b>
<b>Federal Home Loan Mortgage Corp</b>												
3134G3M49	FREDDIE MAC 1.5%	1.500	09/26/2019		AA+	Aaa	1,000,000.00	1,001,001.00	4.22	998,300.00	4.21	0.25
3137EADM8	FREDDIE MAC 1.25%	1.250	10/02/2019		AA+	Aaa	1,650,000.00	1,634,040.00	6.90	1,645,998.75	6.94	0.26

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of June 30, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Home Loan Mortgage Corp</b>												
3134G3K58	FREDDIE MAC 1.5%	1.500	03/19/2020		AA+	Aaa	500,000.00	498,289.00	2.10	498,290.00	2.10	0.71
<b>Issuer total</b>							<b>3,150,000.00</b>	<b>3,133,330.00</b>	<b>13.22</b>	<b>3,142,588.75</b>	<b>13.24</b>	<b>0.33</b>
<b>Federal National Mortgage Association</b>												
3135G0L76	FANNIE MAE 1.075%	1.075	07/11/2019		AA+	Aaa	600,000.00	599,100.00	2.53	599,796.00	2.53	0.04
3135G0R39	FANNIE MAE 1%	1.000	10/24/2019		AA+	Aaa	600,000.00	589,095.11	2.49	597,785.40	2.52	0.32
3135G0RM7	FANNIE MAE 1.63%	1.630	10/30/2020		AA+	Aaa	1,000,000.00	1,003,410.00	4.24	996,650.00	4.20	1.32
<b>Issuer total</b>							<b>2,200,000.00</b>	<b>2,191,605.11</b>	<b>9.25</b>	<b>2,194,231.40</b>	<b>9.25</b>	<b>0.70</b>
<b>PT. SAN ASSESS DISTRICT</b>												
888599LS4	PT. SAN ASSESS	5.250	09/02/2032		NR	NR	1,387,200.00	1,387,200.00	5.85	1,387,200.00	5.85	9.33
<b>Issuer total</b>							<b>1,387,200.00</b>	<b>1,387,200.00</b>	<b>5.85</b>	<b>1,387,200.00</b>	<b>5.85</b>	<b>9.33</b>
<b>Berkshire Hathaway Inc</b>												
084670BL1	BERKSHIRE HATHAWAY	2.100	08/14/2019		AA	Aa2	550,000.00	547,453.50	2.31	549,804.20	2.32	0.13
<b>Issuer total</b>							<b>550,000.00</b>	<b>547,453.50</b>	<b>2.31</b>	<b>549,804.20</b>	<b>2.32</b>	<b>0.13</b>
<b>Citibank NA</b>												
17325FAQ1	CITIBANK NA 3.4%	3.400	07/23/2021	06/23/2021	A+	Aa3	500,000.00	507,030.00	2.14	510,641.50	2.15	1.89
<b>Issuer total</b>							<b>500,000.00</b>	<b>507,030.00</b>	<b>2.14</b>	<b>510,641.50</b>	<b>2.15</b>	<b>1.89</b>
<b>Caterpillar Inc</b>												
149123BX8	CATERPILLAR INC 2.6%	2.600	06/26/2022	03/26/2022	A	A3	500,000.00	500,300.00	2.11	505,193.50	2.13	2.70
<b>Issuer total</b>							<b>500,000.00</b>	<b>500,300.00</b>	<b>2.11</b>	<b>505,193.50</b>	<b>2.13</b>	<b>2.70</b>
<b>JPMorgan Chase &amp; Co</b>												
46625HQJ2	JPMORGAN CHASE & CO	2.550	03/01/2021	02/01/2021	A-	A2	500,000.00	494,725.00	2.09	501,745.50	2.11	1.56
<b>Issuer total</b>							<b>500,000.00</b>	<b>494,725.00</b>	<b>2.09</b>	<b>501,745.50</b>	<b>2.11</b>	<b>1.56</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of June 30, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Toyota Motor Credit Corp</b>												
89236TCF0	TOYOTA MOTOR CREDIT	2.150	03/12/2020		AA-	Aa3	500,000.00	504,545.00	2.13	499,754.00	2.11	0.69
<b>Issuer total</b>							<b>500,000.00</b>	<b>504,545.00</b>	<b>2.13</b>	<b>499,754.00</b>	<b>2.11</b>	<b>0.69</b>
<b>PNC Bank NA</b>												
69353REX2	PNC BANK NA 1.45%	1.450	07/29/2019		A	A2	500,000.00	494,490.00	2.09	499,655.00	2.11	0.08
<b>Issuer total</b>							<b>500,000.00</b>	<b>494,490.00</b>	<b>2.09</b>	<b>499,655.00</b>	<b>2.11</b>	<b>0.08</b>
<b>US Bank NA/Cincinnati OH</b>												
90331HNB5	US BANK NA CINCINNATI	2.000	01/24/2020	12/24/2019	AA-	A1	500,000.00	493,330.00	2.08	499,388.50	2.10	0.52
<b>Issuer total</b>							<b>500,000.00</b>	<b>493,330.00</b>	<b>2.08</b>	<b>499,388.50</b>	<b>2.10</b>	<b>0.52</b>
<b>American Honda Finance Corp</b>												
02665WBT7	AMERICAN HONDA	1.950	07/20/2020		A	A2	500,000.00	492,340.00	2.08	498,368.50	2.10	1.03
<b>Issuer total</b>							<b>500,000.00</b>	<b>492,340.00</b>	<b>2.08</b>	<b>498,368.50</b>	<b>2.10</b>	<b>1.03</b>
<b>Cash and Cash Equivalents</b>												
	INVESTED CASH	0.000					52,949.89	52,949.89	0.00	52,949.89	0.22	0.00
<b>Issuer total</b>							<b>52,949.89</b>	<b>52,949.89</b>	<b>0.00</b>	<b>52,949.89</b>	<b>0.22</b>	<b>0.00</b>
<b>Grand total</b>							<b>23,690,149.89</b>	<b>23,692,995.54</b>	<b>100.00</b>	<b>23,727,176.49</b>	<b>100.00</b>	<b>1.35</b>

# SECURITIES PURCHASED

For the period June 1, 2019 - June 30, 2019

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
<b>Government Agencies</b>							
313378WG2	06/13/2019	2.500	03/11/2022	1,000,000.00	101.63	(1,016,330.00)	(6,458.33)
FEDERAL HOME LOAN BANK 2.5% 11 MAR2022	06/14/2019						
WELLS FARGO BANK, N.A.							
<b>Total Government Agencies</b>				<b>1,000,000.00</b>		<b>(1,016,330.00)</b>	<b>(6,458.33)</b>
<b>Grand total</b>				<b>1,000,000.00</b>		<b>(1,016,330.00)</b>	<b>(6,458.33)</b>

# SECURITIES SOLD AND MATURED

For the period June 1, 2019 - June 30, 2019

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Interest earned
<b>Government Agencies</b>												
313379EE5 FEDERAL HOME LN BKS CONS BD 1.625 DUE 06-14-2019	06/14/2019	1.625		(1,000,000.00)	993,180.00	1,000,000.00	0.00	1,000,000.00	0.00	0.00	8,125.00	586.81
	06/14/2019					208.93		222.00				
<b>Total (Government Agencies)</b>				<b>(1,000,000.00)</b>	<b>993,180.00</b>	<b>1,000,000.00</b> <b>208.93</b>		<b>1,000,000.00</b> <b>222.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8,125.00</b>	<b>586.81</b>
<b>Grand total</b>				<b>(1,000,000.00)</b>	<b>993,180.00</b>	<b>1,000,000.00</b> <b>208.93</b>		<b>1,000,000.00</b> <b>222.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8,125.00</b>	<b>586.81</b>



# TRANSACTION REPORT

For the period June 1, 2019 - June 30, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
06/11/2019 06/11/2019	313373ZY1	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/11/2021	1,000,000.00	0.00	0.00	18,125.00	18,125.00
06/12/2019 06/12/2019	313383HU8	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/12/2020	1,000,000.00	0.00	0.00	8,750.00	8,750.00
06/13/2019 06/14/2019	313378WG2	Bought	Government Agencies	FEDERAL HOME LOAN BANK	03/11/2022	1,000,000.00	0.00	(1,016,330.00)	(6,458.33)	(1,022,788.33)
06/14/2019 06/14/2019	313379EE5	Income	Government Agencies	FEDERAL HOME LN BKS CONS	06/14/2019	1,000,000.00	0.00	0.00	8,125.00	8,125.00
06/14/2019 06/14/2019	313379EE5	Capital Change	Government Agencies	FEDERAL HOME LN BKS CONS	06/14/2019	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
06/26/2019 06/26/2019	149123BX8	Income	Corporate Bonds	CATERPILLAR INC 2.6%	06/26/2022	500,000.00	0.00	0.00	6,500.00	6,500.00
06/30/2019		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	175.07	175.07

# ADDITIONAL INFORMATION

## As of June 30, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

Unless otherwise stated, the source of information is Insight. Any forecasts or opinions are Insights own at the date of this document (or as otherwise specified) and may change. Material in this publication is for general information only and is not advice, investment advice, or the recommendation of any purchase or sale of any security. Insight makes no implied or expressed recommendations concerning the manner in which an account should or would be handled, as appropriate investment strategies depend upon specific investment guidelines and objectives and should not be construed to be an assurance that any particular security in a strategy will remain in any fund, account, or strategy, or that a previously held security will not be repurchased. It should not be assumed that any of the security transactions or holdings referenced herein have been or will prove to be profitable or that future investment decisions will be profitable or will equal or exceed the past investment performance of the securities listed.

For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategies holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

# ADDITIONAL INFORMATION

## As of June 30, 2019

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Customer Service  
 PO Box 11813  
 Harrisburg, PA 17108-1813

**ACCOUNT STATEMENT**

For the Month Ending  
**June 30, 2019**

**City of San Rafael**

**Client Management Team**

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**Contents**

- Cover/Disclosures
- Summary Statement
- Individual Accounts

**Accounts included in Statement**

7023-001	Lease Revenue Bonds Series 2018 Project Fund
7023-002	Lease Revenue Bonds Series 2018 Capitalized Intere

**Important Messages**

CAMP will be closed on 07/04/2019 for Independence Day.

CITY OF SAN RAFAEL  
 NADINE HADE  
 1400 FIFTH AVENUE  
 SAN RAFAEL, CA 94901

**Online Access** [www.camponline.com](http://www.camponline.com)

**Customer Service** 1-800-729-7665

**Important Disclosures****Important Disclosures**

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFM") is an investment advisor registered with the Securities and Exchange Commission, and is required to maintain a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

**Proxy Voting** PFM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

**Questions About an Account** PFM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

**Account Control** PFM does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

**Market Value** Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFM believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for money market and TERM funds is contained in the appropriate fund information statement.

**Amortized Cost** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

**Tax Reporting** Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

**Financial Situation** In order to better serve you, PFM should be promptly notified of any material change in your investment objective or financial situation.

**Callable Securities** Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

**Portfolio** The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

**Rating** Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed. Shares of some money market and TERM funds are marketed through representatives of PFM's wholly owned subsidiary, PFM Fund Distributors, Inc. PFM Fund Distributors, Inc. is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Regulator Public Disclosure Hotline at 1-888-289-9999 or at the FINRA Regulation Internet website address [www.nasd.com](http://www.nasd.com). A brochure describing the FINRA Regulation Public Disclosure Program is also available from the FINRA upon request.

**Key Terms and Definitions**

**Dividends** on money market funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

**Current Yield** is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

**Average maturity** represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

**Monthly distribution yield** represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

**YTM at Cost** The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

**YTM at Market** The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

**Managed Account** A portfolio of investments managed discretely by PFM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

**Unsettled Trade** A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFM within 60 days of receipt. If you have other concerns or questions regarding your account you should contact a member of your client management team or PFM Service Operations at the address below.

PFM Asset Management LLC  
Attn: Service Operations  
213 Market Street  
Harrisburg, PA 17101



## Consolidated Summary Statement

## Account Statement

For the Month Ending **June 30, 2019**

City of San Rafael

### Portfolio Summary

Portfolio Holdings	Cash Dividends and Income	Closing Market Value	Current Yield
CAMP Pool	34,102.84	15,949,815.15	2.45 %
CAMP Managed Account	12,887.50	16,120,884.18	* N/A
<b>Total</b>	<b>\$46,990.34</b>	<b>\$32,070,699.33</b>	

\* Not Applicable

### Investment Allocation

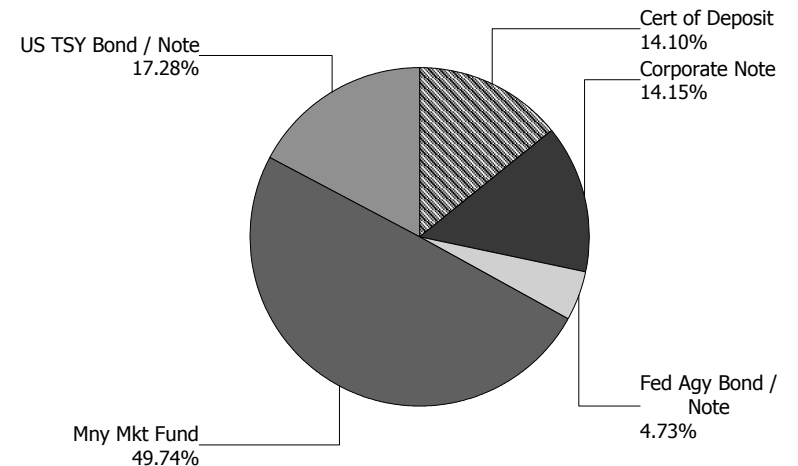
Investment Type	Closing Market Value	Percent
Certificate of Deposit	4,521,132.94	14.10
Corporate Note	4,539,269.01	14.15
Federal Agency Bond / Note	1,517,640.46	4.73
Money Market Mutual Fund	15,949,815.15	49.74
U.S. Treasury Bond / Note	5,542,841.77	17.28
<b>Total</b>	<b>\$32,070,699.33</b>	<b>100.00%</b>

### Maturity Distribution (Fixed Income Holdings)

Portfolio Holdings	Closing Market Value	Percent
Under 30 days	20,470,948.09	63.84
31 to 60 days	0.00	0.00
61 to 90 days	0.00	0.00
91 to 180 days	2,675,124.19	8.34
181 days to 1 year	7,868,104.91	24.53
1 to 2 years	1,056,522.14	3.29
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
<b>Total</b>	<b>\$32,070,699.33</b>	<b>100.00%</b>

**Weighted Average Days to Maturity 92**

### Sector Allocation





## Consolidated Summary Statement

## Account Statement

For the Month Ending **June 30, 2019**

City of San Rafael

<b>Account Number</b>	<b>Account Name</b>	<b>Opening Market Value</b>	<b>Purchases / Deposits</b>	<b>Redemptions / Sales / Maturities</b>	<b>Unsettled Trades</b>	<b>Change in Value</b>	<b>Closing Market Value</b>	<b>Cash Dividends and Income</b>
7023-001	Lease Revenue Bonds Series 2018 Project Fund	30,257,368.32	32,511.68	(1,251,377.28)	0.00	16,921.43	29,055,424.15	45,399.18
7023-002	Lease Revenue Bonds Series 2018 Capitalized Intere	3,010,641.94	1,591.16	(314.26)	0.00	3,356.34	3,015,275.18	1,591.16
<b>Total</b>		<b>\$33,268,010.26</b>	<b>\$34,102.84</b>	<b>(\$1,251,691.54)</b>	<b>\$0.00</b>	<b>\$20,277.77</b>	<b>\$32,070,699.33</b>	<b>\$46,990.34</b>



## Account Statement - Transaction Summary

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001

### CAMP Pool

Opening Market Value	16,387,545.79
Purchases	32,511.68
Redemptions	(1,251,377.28)
Unsettled Trades	0.00
Change in Value	0.00

**Closing Market Value \$15,168,680.19**

Cash Dividends and Income 32,511.68

### CAMP Managed Account

Opening Market Value	13,869,822.53
Purchases	0.00
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	16,921.43

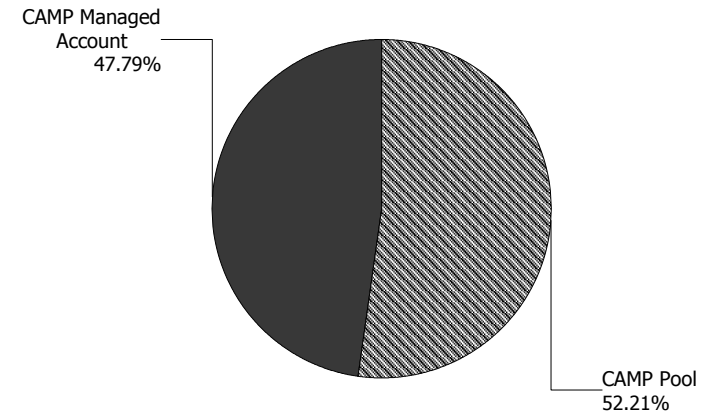
**Closing Market Value \$13,886,743.96**

Cash Dividends and Income 12,887.50

### Asset Summary

	June 30, 2019	May 31, 2019
<b>CAMP Pool</b>	15,168,680.19	16,387,545.79
<b>CAMP Managed Account</b>	13,886,743.96	13,869,822.53
<b>Total</b>	<b>\$29,055,424.15</b>	<b>\$30,257,368.32</b>

### Asset Allocation







## Managed Account Summary Statement

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)

Transaction Summary - Money Market		Transaction Summary - Managed Account		Account Total	
<b>Opening Market Value</b>	<b>\$16,387,545.79</b>	<b>Opening Market Value</b>	<b>\$13,869,822.53</b>	<b>Opening Market Value</b>	<b>\$30,257,368.32</b>
Purchases	32,511.68	Maturities/Calls	0.00		
Redemptions	(1,251,377.28)	Principal Dispositions	0.00		
		Principal Acquisitions	0.00		
		Unsettled Trades	0.00		
		Change in Current Value	16,921.43		
<b>Closing Market Value</b>	<b>\$15,168,680.19</b>	<b>Closing Market Value</b>	<b>\$13,886,743.96</b>	<b>Closing Market Value</b>	<b>\$29,055,424.15</b>
Dividend	32,511.68				

Earnings Reconciliation (Cash Basis) - Managed Account	
Interest/Dividends/Coupons Received	12,887.50
Less Purchased Interest Related to Interest/Coupons	0.00
Plus Net Realized Gains/Losses	0.00
<b>Total Cash Basis Earnings</b>	<b>\$12,887.50</b>

Cash Balance	
<b>Closing Cash Balance</b>	<b>\$0.00</b>

Earnings Reconciliation (Accrual Basis)	Managed Account	Total
Ending Amortized Value of Securities	13,849,979.07	29,018,659.26
Ending Accrued Interest	159,725.03	159,725.03
Plus Proceeds from Sales	0.00	1,251,377.28
Plus Proceeds of Maturities/Calls/Principal Payments	0.00	0.00
Plus Coupons/Dividends Received	12,887.50	12,887.50
Less Cost of New Purchases	0.00	(32,511.68)
Less Beginning Amortized Value of Securities	(13,844,802.41)	(30,232,348.20)
Less Beginning Accrued Interest	(147,065.33)	(147,065.33)
Dividends	0.00	32,511.68
<b>Total Accrual Basis Earnings</b>	<b>\$30,723.86</b>	<b>\$63,235.54</b>

Cash Transactions Summary- Managed Account	
Maturities/Calls	0.00
Sale Proceeds	0.00
Coupon/Interest/Dividend Income	12,887.50
Principal Payments	0.00
Security Purchases	0.00
Net Cash Contribution	(12,887.50)
Reconciling Transactions	0.00





## Managed Account Issuer Summary

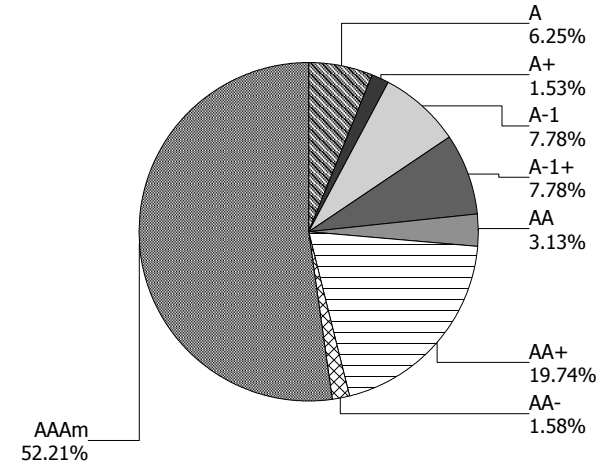
For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)

### Issuer Summary

Issuer	Market Value of Holdings	Percent
AMERICAN HONDA FINANCE	454,489.04	1.56
APPLE INC	908,918.92	3.13
CAMP Pool	15,168,680.19	52.22
CANADIAN IMPERIAL BANK OF COMMERCE	2,260,567.49	7.78
CATERPILLAR INC	454,560.47	1.56
CHEVRON CORPORATION	908,175.45	3.13
CISCO SYSTEMS INC	460,029.12	1.58
FREDDIE MAC	401,750.80	1.38
HONEYWELL INTERNATIONAL	453,658.66	1.56
NATIONAL RURAL UTILITIES CO FINANCE CORP	454,144.15	1.56
PEPSICO INC	445,293.20	1.53
TORONTO-DOMINION BANK	2,260,565.45	7.78
UNITED STATES TREASURY	4,424,591.21	15.23
<b>Total</b>	<b>\$29,055,424.15</b>	<b>100.00%</b>

### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2019**

**City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 10/31/2014 1.500% 10/31/2019	912828F62	650,000.00	AA+	Aaa	07/25/18	07/26/18	641,773.44	2.52	1,642.66	647,822.97	648,654.50
US TREASURY NOTES DTD 12/31/2012 1.125% 12/31/2019	912828UF5	760,000.00	AA+	Aaa	07/25/18	07/26/18	744,710.94	2.57	23.23	754,618.80	756,318.56
US TREASURY NOTES DTD 01/31/2018 2.000% 01/31/2020	9128283S7	820,000.00	AA+	Aaa	07/25/18	07/26/18	813,017.19	2.58	6,840.88	817,281.86	819,744.16
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	1,150,000.00	AA+	Aaa	07/25/18	07/26/18	1,123,810.55	2.65	1,339.31	1,136,874.67	1,143,351.85
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,060,000.00	AA+	Aaa	07/25/18	07/26/18	1,039,835.16	2.64	46.81	1,049,453.05	1,056,522.14
<b>Security Type Sub-Total</b>		<b>4,440,000.00</b>					<b>4,363,147.28</b>	<b>2.60</b>	<b>9,892.89</b>	<b>4,406,051.35</b>	<b>4,424,591.21</b>
<b>Federal Agency Bond / Note</b>											
FHLMC NOTES DTD 04/19/2018 2.500% 04/23/2020	3137EAEM7	400,000.00	AA+	Aaa	07/25/18	07/26/18	398,772.40	2.68	1,888.89	399,425.68	401,750.80
<b>Security Type Sub-Total</b>		<b>400,000.00</b>					<b>398,772.40</b>	<b>2.68</b>	<b>1,888.89</b>	<b>399,425.68</b>	<b>401,750.80</b>
<b>Corporate Note</b>											
HONEYWELL INTERNATIONAL CORP NOTES DTD 10/31/2016 1.400% 10/30/2019	438516BJ4	215,000.00	A	A2	07/25/18	07/27/18	211,504.10	2.72	510.03	214,072.90	214,366.18
HONEYWELL INTERNATIONAL CORP NOTES DTD 10/31/2016 1.400% 10/30/2019	438516BJ4	240,000.00	A	A2	07/25/18	07/27/18	236,092.80	2.72	569.33	238,963.82	239,292.48
CATERPILLAR FINL SERVICE CORPORATE BOND DTD 11/29/2017 2.000% 11/29/2019	14913O2F5	455,000.00	A	A3	07/25/18	07/27/18	450,809.45	2.70	808.89	453,700.83	454,560.47
PEPSICO, INC NOTES DTD 01/14/2010 4.500% 01/15/2020	713448BN7	440,000.00	A+	A1	07/25/18	07/27/18	451,444.40	2.68	9,130.00	444,256.60	445,293.20
CISCO SYSTEMS INC CORP NOTE DTD 11/17/2009 4.450% 01/15/2020	17275RAH5	455,000.00	AA-	A1	07/27/18	07/31/18	465,728.90	2.78	9,336.35	459,022.88	460,029.12



**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate Note</b>											
NATIONAL RURAL UTIL COOP CORP NOTES DTD 01/27/2015 2.000% 01/27/2020	637432NC5	455,000.00	A	A1	07/25/18	07/27/18	449,289.75	2.86	3,892.78	452,794.57	454,144.15
CHEVRON CORP (CALLABLE) NOTES DTD 03/03/2015 1.961% 03/03/2020	166764AR1	910,000.00	AA	Aa2	07/25/18	07/27/18	897,924.30	2.81	5,849.23	904,870.89	908,175.45
AMERICAN HONDA FINANCE CORP NOTES DTD 03/13/2015 2.150% 03/13/2020	02665WAU5	455,000.00	A	A2	07/25/18	07/27/18	449,248.80	2.95	2,934.75	452,499.23	454,489.04
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020	037833BD1	910,000.00	AA+	Aa1	07/25/18	07/27/18	898,224.60	2.75	2,426.67	904,320.32	908,918.92
<b>Security Type Sub-Total</b>		<b>4,535,000.00</b>					<b>4,510,267.10</b>	<b>2.78</b>	<b>35,458.03</b>	<b>4,524,502.04</b>	<b>4,539,269.01</b>
<b>Certificate of Deposit</b>											
CANADIAN IMP BK COMM NY CERT DEPOS DTD 07/26/2018 2.640% 07/24/2019	13606BZU3	2,260,000.00	A-1	P-1	07/25/18	07/26/18	2,260,000.00	2.64	56,349.33	2,260,000.00	2,260,567.49
TORONTO DOMINION BANK NY CERT DEPOS DTD 07/26/2018 2.630% 07/25/2019	89113X7H1	2,260,000.00	A-1+	P-1	07/25/18	07/26/18	2,260,000.00	2.63	56,135.89	2,260,000.00	2,260,565.45
<b>Security Type Sub-Total</b>		<b>4,520,000.00</b>					<b>4,520,000.00</b>	<b>2.64</b>	<b>112,485.22</b>	<b>4,520,000.00</b>	<b>4,521,132.94</b>
<b>Managed Account Sub-Total</b>		<b>13,895,000.00</b>					<b>13,792,186.78</b>	<b>2.67</b>	<b>159,725.03</b>	<b>13,849,979.07</b>	<b>13,886,743.96</b>
<b>Money Market Mutual Fund</b>											
CAMP Pool		15,168,680.19	AAA	NR			15,168,680.19		0.00	15,168,680.19	15,168,680.19
<b>Money Market Sub-Total</b>		<b>15,168,680.19</b>					<b>15,168,680.19</b>		<b>0.00</b>	<b>15,168,680.19</b>	<b>15,168,680.19</b>
<b>Securities Sub-Total</b>		<b>\$29,063,680.19</b>					<b>\$28,960,866.97</b>	<b>2.67%</b>	<b>\$159,725.03</b>	<b>\$29,018,659.26</b>	<b>\$29,055,424.15</b>
<b>Accrued Interest</b>											<b>\$159,725.03</b>
<b>Total Investments</b>											<b>\$29,215,149.18</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **June 30, 2019**

**City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 10/31/2014 1.500% 10/31/2019	912828F62	650,000.00	NOMURA		99.79	648,654.50	6,881.06	831.53	0.33	0.33	2.12
US TREASURY NOTES DTD 12/31/2012 1.125% 12/31/2019	912828UF5	760,000.00	JEFFERIE		99.52	756,318.56	11,607.62	1,699.76	0.49	0.49	2.10
US TREASURY NOTES DTD 01/31/2018 2.000% 01/31/2020	9128283S7	820,000.00	GOLDMAN		99.97	819,744.16	6,726.97	2,462.30	0.57	0.57	2.05
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	1,150,000.00	GOLDMAN		99.42	1,143,351.85	19,541.30	6,477.18	0.91	0.91	2.01
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,060,000.00	JPM_CHAS		99.67	1,056,522.14	16,686.98	7,069.09	0.99	0.99	1.96
<b>Security Type Sub-Total</b>		<b>4,440,000.00</b>				<b>4,424,591.21</b>	<b>61,443.93</b>	<b>18,539.86</b>	<b>0.71</b>	<b>0.71</b>	<b>2.04</b>
<b>Federal Agency Bond / Note</b>											
FHLMC NOTES DTD 04/19/2018 2.500% 04/23/2020	3137EAEM7	400,000.00	TD		100.44	401,750.80	2,978.40	2,325.12	0.80	0.80	1.95
<b>Security Type Sub-Total</b>		<b>400,000.00</b>				<b>401,750.80</b>	<b>2,978.40</b>	<b>2,325.12</b>	<b>0.80</b>	<b>0.80</b>	<b>1.95</b>
<b>Corporate Note</b>											
HONEYWELL INTERNATIONAL CORP NOTES DTD 10/31/2016 1.400% 10/30/2019	438516BJ4	215,000.00	BNP_PARI		99.71	214,366.18	2,862.08	293.28	0.33	0.33	2.29
HONEYWELL INTERNATIONAL CORP NOTES DTD 10/31/2016 1.400% 10/30/2019	438516BJ4	240,000.00	MKTX		99.71	239,292.48	3,199.68	328.66	0.33	0.33	2.29
CATERPILLAR FINL SERVICE CORPORATE BOND DTD 11/29/2017 2.000% 11/29/2019	1491302F5	455,000.00	CSFB		99.90	454,560.47	3,751.02	859.64	0.41	0.41	2.23
PEPSICO, INC NOTES DTD 01/14/2010 4.500% 01/15/2020	713448BN7	440,000.00	BONY		101.20	445,293.20	(6,151.20)	1,036.60	0.52	0.52	2.25
CISCO SYSTEMS INC CORP NOTE DTD 11/17/2009 4.450% 01/15/2020	17275RAH5	455,000.00	MKTX		101.11	460,029.12	(5,699.78)	1,006.24	0.52	0.52	2.38



**Managed Account Fair Market Value & Analytics**

For the Month Ending **June 30, 2019**

**City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>Broker</b>	<b>Next Call Date</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Unreal G/L On Cost</b>	<b>Unreal G/L Amort Cost</b>	<b>Effective Duration</b>	<b>Duration to Worst at Mkt</b>	<b>YTM</b>
<b>Corporate Note</b>												
NATIONAL RURAL UTIL COOP CORP NOTES DTD 01/27/2015 2.000% 01/27/2020		637432NC5	455,000.00	GOLDMAN		99.81	454,144.15	4,854.40	1,349.58	0.56	0.56	2.33
CHEVRON CORP (CALLABLE) NOTES DTD 03/03/2015 1.961% 03/03/2020		166764AR1	910,000.00	MORGAN_S	02/03/20	99.80	908,175.45	10,251.15	3,304.56	0.62	0.66	2.26
AMERICAN HONDA FINANCE CORP NOTES DTD 03/13/2015 2.150% 03/13/2020		02665WAU5	455,000.00	MORGAN_S		99.89	454,489.04	5,240.24	1,989.81	0.69	0.69	2.31
APPLE INC CORP NOTE DTD 05/13/2015 2.000% 05/06/2020		037833BD1	910,000.00	MORGAN_S		99.88	908,918.92	10,694.32	4,598.60	0.84	0.84	2.14
<b>Security Type Sub-Total</b>			<b>4,535,000.00</b>				<b>4,539,269.01</b>	<b>29,001.91</b>	<b>14,766.97</b>	<b>0.60</b>	<b>0.60</b>	<b>2.26</b>
<b>Certificate of Deposit</b>												
CANADIAN IMP BK COMM NY CERT DEPOS DTD 07/26/2018 2.640% 07/24/2019		13606BZU3	2,260,000.00	CIBC		100.03	2,260,567.49	567.49	567.49	0.07	0.07	2.33
TORONTO DOMINION BANK NY CERT DEPOS DTD 07/26/2018 2.630% 07/25/2019		89113X7H1	2,260,000.00	TD		100.03	2,260,565.45	565.45	565.45	0.07	0.07	2.33
<b>Security Type Sub-Total</b>			<b>4,520,000.00</b>				<b>4,521,132.94</b>	<b>1,132.94</b>	<b>1,132.94</b>	<b>0.07</b>	<b>0.07</b>	<b>2.33</b>
<b>Managed Account Sub-Total</b>			<b>13,895,000.00</b>				<b>13,886,743.96</b>	<b>94,557.18</b>	<b>36,764.89</b>	<b>0.47</b>	<b>0.47</b>	<b>2.20</b>
<b>Money Market Mutual Fund</b>												
CAMP Pool			15,168,680.19			1.00	15,168,680.19	0.00	0.00	0.00	0.00	
<b>Money Market Sub-Total</b>			<b>15,168,680.19</b>				<b>15,168,680.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Securities Sub-Total</b>			<b>\$29,063,680.19</b>				<b>\$29,055,424.15</b>	<b>\$94,557.18</b>	<b>\$36,764.89</b>	<b>0.47</b>	<b>0.47</b>	<b>2.20%</b>
<b>Accrued Interest</b>							<b>\$159,725.03</b>					
<b>Total Investments</b>							<b>\$29,215,149.18</b>					



**Managed Account Security Transactions & Interest**

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001 - (12517708)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>INTEREST</b>										
06/30/19	06/30/19	US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	1,060,000.00	0.00	8,612.50	8,612.50			
06/30/19	06/30/19	US TREASURY NOTES DTD 12/31/2012 1.125% 12/31/2019	912828UF5	760,000.00	0.00	4,275.00	4,275.00			
<b>Transaction Type Sub-Total</b>				<b>1,820,000.00</b>	<b>0.00</b>	<b>12,887.50</b>	<b>12,887.50</b>			
<b>Managed Account Sub-Total</b>					<b>0.00</b>	<b>12,887.50</b>	<b>12,887.50</b>			
<b>Total Security Transactions</b>					<b>\$0.00</b>	<b>\$12,887.50</b>	<b>\$12,887.50</b>			





**Account Statement**

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Project Fund - 7023-001

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>16,387,545.79</b>
06/20/19	06/20/19	Redemption - Outgoing Wires	1.00	(1,250,000.00)	15,137,545.79
06/25/19	06/25/19	IP Fees May 2019	1.00	(1,259.58)	15,136,286.21
06/25/19	06/25/19	U.S. Bank Fees April 2019	1.00	(117.70)	15,136,168.51
06/28/19	07/01/19	Accrual Income Div Reinvestment - Distributions	1.00	32,511.68	15,168,680.19
<b>Closing Balance</b>					<b>15,168,680.19</b>

	Month of June	Fiscal YTD July-June		
<b>Opening Balance</b>	16,387,545.79	45,526,850.13	<b>Closing Balance</b>	15,168,680.19
<b>Purchases</b>	32,511.68	17,740,997.24	<b>Average Monthly Balance</b>	15,932,188.17
<b>Redemptions (Excl. Checks)</b>	(1,251,377.28)	(48,099,167.18)	<b>Monthly Distribution Yield</b>	2.48%
<b>Check Disbursements</b>	0.00	0.00		
<b>Closing Balance</b>	<b>15,168,680.19</b>	<b>15,168,680.19</b>		
<b>Cash Dividends and Income</b>	32,511.68	341,595.10		



## Account Statement - Transaction Summary

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002

<b>CAMP Pool</b>	
Opening Market Value	779,858.06
Purchases	1,591.16
Redemptions	(314.26)
Unsettled Trades	0.00
Change in Value	0.00

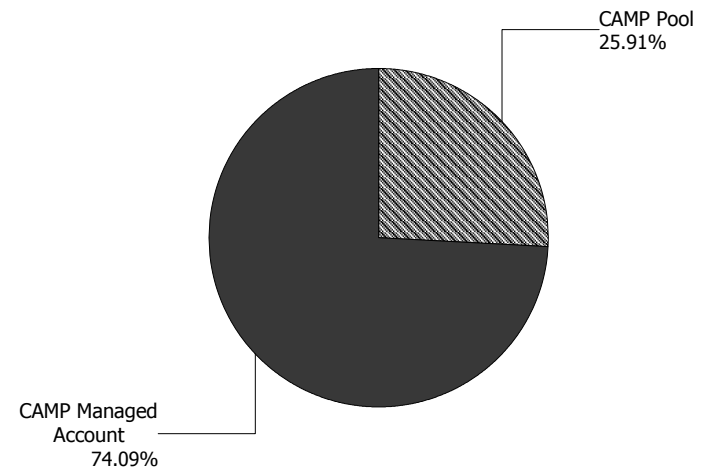
<b>Closing Market Value</b>	<b>\$781,134.96</b>
Cash Dividends and Income	1,591.16

<b>CAMP Managed Account</b>	
Opening Market Value	2,230,783.88
Purchases	0.00
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	3,356.34

<b>Closing Market Value</b>	<b>\$2,234,140.22</b>
Cash Dividends and Income	0.00

<b>Asset Summary</b>		
	<b>June 30, 2019</b>	<b>May 31, 2019</b>
<b>CAMP Pool</b>	781,134.96	779,858.06
<b>CAMP Managed Account</b>	2,234,140.22	2,230,783.88
<b>Total</b>	<b>\$3,015,275.18</b>	<b>\$3,010,641.94</b>

### Asset Allocation





## Managed Account Summary Statement

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002 - (12517707)

Transaction Summary - Money Market		Transaction Summary - Managed Account		Account Total	
<b>Opening Market Value</b>	<b>\$779,858.06</b>	<b>Opening Market Value</b>	<b>\$2,230,783.88</b>	<b>Opening Market Value</b>	<b>\$3,010,641.94</b>
Purchases	1,591.16	Maturities/Calls	0.00		
Redemptions	(314.26)	Principal Dispositions	0.00		
		Principal Acquisitions	0.00		
		Unsettled Trades	0.00		
		Change in Current Value	3,356.34		
<b>Closing Market Value</b>	<b>\$781,134.96</b>	<b>Closing Market Value</b>	<b>\$2,234,140.22</b>	<b>Closing Market Value</b>	<b>\$3,015,275.18</b>
Dividend	1,591.16				

Earnings Reconciliation (Cash Basis) - Managed Account		Cash Balance	
Interest/Dividends/Coupons Received	0.00	<b>Closing Cash Balance</b>	<b>\$0.00</b>
Less Purchased Interest Related to Interest/Coupons	0.00		
Plus Net Realized Gains/Losses	0.00		
<b>Total Cash Basis Earnings</b>	<b>\$0.00</b>		

Earnings Reconciliation (Accrual Basis)	Managed Account	Total	Cash Transactions Summary- Managed Account	
Ending Amortized Value of Securities	2,226,538.25	3,007,673.21	Maturities/Calls	0.00
Ending Accrued Interest	4,331.05	4,331.05	Sale Proceeds	0.00
Plus Proceeds from Sales	0.00	314.26	Coupon/Interest/Dividend Income	0.00
Plus Proceeds of Maturities/Calls/Principal Payments	0.00	0.00	Principal Payments	0.00
Plus Coupons/Dividends Received	0.00	0.00	Security Purchases	0.00
Less Cost of New Purchases	0.00	(1,591.16)	Net Cash Contribution	0.00
Less Beginning Amortized Value of Securities	(2,225,852.58)	(3,005,710.64)	Reconciling Transactions	0.00
Less Beginning Accrued Interest	(296.36)	(296.36)		
Dividends	0.00	1,591.16		
<b>Total Accrual Basis Earnings</b>	<b>\$4,720.36</b>	<b>\$6,311.52</b>		





### Managed Account Issuer Summary

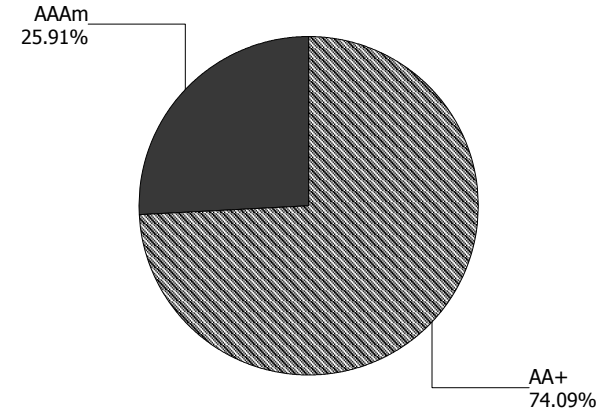
For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002 - (12517707)

#### Issuer Summary

Issuer	Market Value of Holdings	Percent
CAMP Pool	781,134.96	25.91
FEDERAL HOME LOAN BANKS	1,115,889.66	37.01
UNITED STATES TREASURY	1,118,250.56	37.08
<b>Total</b>	<b>\$3,015,275.18</b>	<b>100.00%</b>

#### Credit Quality (S&P Ratings)





**Managed Account Detail of Securities Held**

For the Month Ending **June 30, 2019**

**City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002 - (12517707)**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 11/30/2017 1.750% 11/30/2019	9128283H1	1,120,000.00	AA+	Aaa	07/11/18	07/12/18	1,108,493.75	2.51	1,660.11	1,116,515.55	1,118,250.56
<b>Security Type Sub-Total</b>		<b>1,120,000.00</b>					<b>1,108,493.75</b>	<b>2.51</b>	<b>1,660.11</b>	<b>1,116,515.55</b>	<b>1,118,250.56</b>
<b>Federal Agency Bond / Note</b>											
FEDERAL HOME LOAN BANKS NOTES DTD 05/21/2018 2.625% 05/28/2020	3130AECJ7	1,110,000.00	AA+	Aaa	07/11/18	07/12/18	1,110,028.86	2.62	2,670.94	1,110,022.70	1,115,889.66
<b>Security Type Sub-Total</b>		<b>1,110,000.00</b>					<b>1,110,028.86</b>	<b>2.62</b>	<b>2,670.94</b>	<b>1,110,022.70</b>	<b>1,115,889.66</b>
<b>Managed Account Sub-Total</b>		<b>2,230,000.00</b>					<b>2,218,522.61</b>	<b>2.57</b>	<b>4,331.05</b>	<b>2,226,538.25</b>	<b>2,234,140.22</b>
<b>Money Market Mutual Fund</b>											
CAMP Pool		781,134.96	AAAm	NR			781,134.96		0.00	781,134.96	781,134.96
<b>Money Market Sub-Total</b>		<b>781,134.96</b>					<b>781,134.96</b>		<b>0.00</b>	<b>781,134.96</b>	<b>781,134.96</b>
<b>Securities Sub-Total</b>		<b>\$3,011,134.96</b>					<b>\$2,999,657.57</b>	<b>2.57%</b>	<b>\$4,331.05</b>	<b>\$3,007,673.21</b>	<b>\$3,015,275.18</b>
<b>Accrued Interest</b>											<b>\$4,331.05</b>
<b>Total Investments</b>											<b>\$3,019,606.23</b>



**Managed Account Fair Market Value & Analytics**

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002 - (12517707)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 11/30/2017 1.750% 11/30/2019	9128283H1	1,120,000.00	JPM_CHAS		99.84	1,118,250.56	9,756.81	1,735.01	0.41	0.41	2.12
<b>Security Type Sub-Total</b>		<b>1,120,000.00</b>				<b>1,118,250.56</b>	<b>9,756.81</b>	<b>1,735.01</b>	<b>0.41</b>	<b>0.41</b>	<b>2.12</b>
<b>Federal Agency Bond / Note</b>											
FEDERAL HOME LOAN BANKS NOTES DTD 05/21/2018 2.625% 05/28/2020	3130AECJ7	1,110,000.00	BARCLAYS		100.53	1,115,889.66	5,860.80	5,866.96	0.90	0.90	2.03
<b>Security Type Sub-Total</b>		<b>1,110,000.00</b>				<b>1,115,889.66</b>	<b>5,860.80</b>	<b>5,866.96</b>	<b>0.90</b>	<b>0.90</b>	<b>2.03</b>
<b>Managed Account Sub-Total</b>		<b>2,230,000.00</b>				<b>2,234,140.22</b>	<b>15,617.61</b>	<b>7,601.97</b>	<b>0.65</b>	<b>0.65</b>	<b>2.08</b>
<b>Money Market Mutual Fund</b>											
CAMP Pool		781,134.96			1.00	781,134.96	0.00	0.00	0.00	0.00	
<b>Money Market Sub-Total</b>		<b>781,134.96</b>				<b>781,134.96</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Securities Sub-Total</b>		<b>\$3,011,134.96</b>				<b>\$3,015,275.18</b>	<b>\$15,617.61</b>	<b>\$7,601.97</b>	<b>0.65</b>	<b>0.65</b>	<b>2.08%</b>
<b>Accrued Interest</b>						<b>\$4,331.05</b>					
<b>Total Investments</b>						<b>\$3,019,606.23</b>					



**Account Statement**

For the Month Ending **June 30, 2019**

City of San Rafael - Lease Revenue Bonds Series 2018 Capitalized Intere - 7023-002

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>779,858.06</b>
06/25/19	06/25/19	IP Fees May 2019	1.00	(283.30)	779,574.76
06/25/19	06/25/19	U.S. Bank Fees April 2019	1.00	(30.96)	779,543.80
06/28/19	07/01/19	Accrual Income Div Reinvestment - Distributions	1.00	1,591.16	781,134.96

**Closing Balance 781,134.96**

	Month of June	Fiscal YTD July-June		
<b>Opening Balance</b>	779,858.06	4,597,184.43	<b>Closing Balance</b>	781,134.96
<b>Purchases</b>	1,591.16	1,695,804.47	<b>Average Monthly Balance</b>	779,954.32
<b>Redemptions (Excl. Checks)</b>	(314.26)	(5,511,853.94)	<b>Monthly Distribution Yield</b>	2.48%
<b>Check Disbursements</b>	0.00	0.00		
<b>Closing Balance</b>	<b>781,134.96</b>	<b>781,134.96</b>		
<b>Cash Dividends and Income</b>	1,591.16	25,248.48		





**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Public Works

Prepared by: Bill Guerin,  
Director of Public Works

City Manager Approval: \_\_\_\_\_

File No.: 16.01.286

**TOPIC: LINCOLN AVENUE CURB RAMPS PROJECT ENGINEERING DESIGN SERVICES**

**SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH BKF ENGINEERS FOR ENGINEERING DESIGN SERVICES ASSOCIATED WITH THE LINCOLN AVENUE CURB RAMPS PROJECT, IN THE AMOUNT OF \$56,800, FOR A TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$177,350**

**RECOMMENDATION:** Adopt a resolution authorizing the City Manager to execute a first amendment to the professional services agreement with BKF Engineers for engineering design services in conjunction with the Lincoln Avenue Curb Ramps Project in an amount of \$56,800, for a total contract not-to-exceed amount of \$177,350.

**BACKGROUND:** During the summers of 2015 and 2016, the San Rafael Sanitation District (District) replaced the sewer main on Lincoln Avenue between Mission Avenue and Prospect Drive. As a condition of approval for the District's encroachment permit with the City, a micro-surfacing pavement treatment was required on the roadway following installation of the new sewer line. Under Americans with Disabilities Act (ADA) law, when a street is resurfaced with micro-surfacing or asphalt pavement, curb ramps must be installed within the limits of the resurfacing.

Micro-sealing Lincoln Avenue from Mission Avenue to Prospect Drive will require the reconstruction of 29 new ADA-compliant curb ramps in addition to minor traffic signal upgrades at the intersection of Lincoln Avenue/Paloma Avenue. This project will include the micro-surfacing which will be fully funded by the San Rafael Sanitation District. The curb ramps and other improvements will be funded by the City of San Rafael.

The Lincoln Avenue Curb Ramps project has been determined to have no significant environmental effect. A Notice of Exemption was filed at the Marin County Clerk's Office on May 2, 2018.

---

**FOR CITY CLERK ONLY**

File No.: \_\_\_\_\_

Council Meeting: \_\_\_\_\_

Disposition: \_\_\_\_\_

Due to the magnitude of the projects and limitations on staff resources, staff secured a professional services agreement for engineering design services in an amount not to exceed \$120,550 on May 21, 2018.

**ANALYSIS:** This first amendment to the professional services agreement is to amend the agreement in an amount not to exceed \$56,800, for a total not-to-exceed amount of \$177,350. Staff reviewed the scope of work for the original project with BKF in a recent field walk and identified additional safety improvements that should be incorporated into the project including traffic calming measures such as several bulb outs and the redesign of the traffic signal at Paloma Ave and Lincoln Ave. With the curb ramp project in design, this is an opportunity to incorporate the changes and make this a safer street for pedestrians. Therefore, staff directed BKF to prepare a proposal to incorporate these additional safety improvements and BKF responded with a request for \$56,800. Staff has reviewed the proposal and have found it reasonable for the work that is required. The additional \$56,800 will be used to perform the additional surveying and design work to incorporate the changes. The professional services agreement for engineering design services must be modified to allow to for the additional scope of work.

**FISCAL IMPACT:** Funding for this project is available from the Gas Tax Fund (#206). BKF's proposal to amend the agreement to develop the plans, specifications, and estimate for the project is in an amount not to exceed \$56,800 for a total contract not-to-exceed amount of \$177,350.

**OPTIONS:** The City Council has the following options to consider relating to this matter:

1. Adopt the resolution authorizing the City Manager to execute a first amendment to the professional services agreement with BKF Engineers.
2. Do not accept the proposal from BKF Engineers.

**RECOMMENDED ACTION:** Adopt a resolution authorizing the City Manager to execute a first amendment to the professional services agreement with BKF Engineers for engineering design services in conjunction with the Lincoln Avenue Curb Ramps Project in an amount of \$56,800, for a total contract not-to-exceed amount of \$177,350.

**ATTACHMENT:**

1. Resolution authorizing the City Manager to execute a first amendment to the Professional Services Agreement with BKF Engineers
2. First Amendment to Agreement with attached Exhibit A: Proposal

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH BKF ENGINEERS FOR ENGINEERING DESIGN SERVICES IN ASSOCIATION WITH THE LINCOLN AVENUE CURB RAMPS PROJECT, IN THE AMOUNT OF \$56,800, FOR A TOTAL CONTRACT NOT-TO-EXCEED AMOUNT OF \$177,350**

---

**WHEREAS**, the City of San Rafael entered into a Professional Services Agreement dated May 21, 2018 with BKF Engineers, for engineering design services in association with the Lincoln Avenue Curb Ramps Project in an amount not-to-exceed \$120,550; and

**WHEREAS**, the scope of the Lincoln Avenue Curb Ramps Project has been expanded to include traffic calming measures such as traffic bulb outs and the redesign of the traffic signal at Paloma Avenue and Lincoln Avenue, and City staff has determined that additional engineering design services are needed; and

**WHEREAS**, BKF Engineers has submitted a proposal to provide the additional services and staff has found the proposal to be complete and within industry standards; and

**WHEREAS**, the costs for engineering design services of this Project will be fully funded through the Gas Tax Fund (Fund No. 206);

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES** as follows:

1. The Council hereby approves and authorizes the City Manager to execute a First Amendment to the Professional Services Agreement with BKF Engineers for additional engineering design services, with additional compensation in the amount of \$56,800 and a revised total contract value not to exceed \$177,350, in a form approved by the City Attorney.
2. \$56,800 shall be appropriated from the Gas Tax Fund (#206) to the Lincoln Avenue Curb Ramps Project 11344.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 5th day of August 2019, by the following vote, to wit:

**AYES:            COUNCILMEMBERS:**

**NOES:            COUNCILMEMBERS:**

**ABSENT:        COUNCILMEMBERS:**

---

**LINDSAY LARA, City Clerk**

**FIRST AMENDMENT TO THE AGREEMENT WITH BKF ENGINEERS FOR  
ENGINEERING DESIGN SERVICES IN ASSOCIATION WITH THE LINCOLN  
AVENUE CURB RAMPS PROJECT**

**THIS FIRST AMENDMENT** to the Professional Services Agreement by and between the **CITY OF SAN RAFAEL** (hereinafter “**CITY**”), and **BKF ENGINEERS**, (hereinafter “**CONSULTANT**”), is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**RECITALS**

**WHEREAS**, the **CITY** and **CONSULTANT** entered into a Professional Services Agreement dated May 21, 2018 for engineering design services associated with the Lincoln Avenue Curb Ramps Project (the “Project”) in an amount not-to-exceed \$120,550 (the “Agreement”); and

**WHEREAS**, **CITY** requires final engineering design services from the **CONSULTANT**, and the **CONSULTANT** is willing to provide such services;

**AMENDMENT TO AGREEMENT**

**NOW, THEREFORE**, the parties hereby agree to amend the Agreement as follows:

1. Paragraph 2 of the Agreement, entitled “DUTIES OF THE CONTRACTOR,” is hereby amended to include the additional services set forth in **CONSULTANT**’s proposal entitled “Amendment#1” dated June 12, 2019, attached to this First Amendment as Exhibit “A” and incorporated herein by reference.
2. Paragraph 4 of the Agreement, entitled “COMPENSATION,” is hereby amended to include additional compensation payable to **CONSULTANT** for the services described in Exhibit “A” to this First Amendment, on a time and materials basis in a not-to-exceed amount of \$56,800, and to change the total not-to-exceed amount under the Agreement to \$177,350. Such additional compensation shall be paid at the hourly rates for **CONSULTANT** as set forth in Exhibit “A,” to the Agreement and incorporated herein by reference.
3. Except as specifically amended herein, all of the other provisions, terms and obligations of the Agreement between the parties shall remain valid and shall be in full force.

**IN WITNESS WHEREOF**, the parties have executed this First Amendment on the day, month, and year first above written.

**CITY OF SAN RAFAEL**

**BKF ENGINEERS**

\_\_\_\_\_  
JIM SCHUTZ, City Manager

By: \_\_\_\_\_

Name:  
Title of Corporate Officer:

ATTEST:

and

\_\_\_\_\_  
LINDSAY LARA, City Clerk

By: \_\_\_\_\_

Name:  
Title of Corporate Officer:

APPROVED AS TO FORM:

\_\_\_\_\_  
ROBERT F. EPSTEIN, City Attorney

Lincoln Avenue Curb Ramps  
BKF Job No. 20180778-10  
June 12, 2019

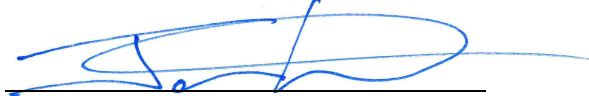
<p>Client: City of San Rafael Public Works Department 111 Morphew Street San Rafael, CA 94901</p>	<p>Consultant: BKF Engineers 4040 Civic Center Drive, Suite 530 San Rafael, CA 94903 Contact: Jason Kirchmann</p>
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This contract amendment is attached to the contract between BKF Engineers and the City of San Rafael dated May 29, 2018 and is governed by the terms and conditions therein.

<p>TASK(S):</p>	<p><b>DESCRIPTION:</b></p> <p>BKF Engineers (BKF) will perform the following additional services as requested by the City of San Rafael:</p> <ul style="list-style-type: none"> <li>• Obtain additional topographic mapping data for the existing public improvements at the intersections of Lincoln Avenue with Wilson Court and Brookdale Avenue to facilitate additional design services to accommodate bulb-outs [<i>\$ 5,700</i>]</li> <li>• Modify previously prepared designs for the intersections of Lincoln Avenue with Wilson Court and Brookdale Avenue to accommodate bulb-outs [<i>\$ 9,900</i>]</li> <li>• Prepare designs and Improvement Drawings sheets for curb ramps along Lincoln Avenue that were previously surveyed but not included in the original design scope:             <ul style="list-style-type: none"> <li>○ Grand Avenue (1 ramp at northwest corner) [<i>\$ 2,600</i>]</li> <li>○ Prospect Drive South (2 ramps) [<i>\$ 3,100</i>]</li> <li>○ Laurel Place (4 ramps) [<i>\$ 9,300</i>]</li> <li>○ Mission Avenue (1 ramp at northeast corner) [<i>\$ 3,100</i>]</li> </ul> </li> <li>• Expand on Task 2.6 from the original letter proposal dated April 26, 2018 to prepare a traffic signal design (including a video system and new traffic signal poles) for the intersection of Lincoln Avenue and Paloma Avenue [<i>\$ 15,300 additional</i>]</li> <li>• Participate in one (1) additional meeting with the City of San Rafael to discuss alternative design revisions contemplated by the City and prepare preliminary cost estimates for design alternatives [<i>\$ 4,600</i>]</li> <li>• Address additional City comments due to design revisions [<i>\$ 3,200</i>]</li> </ul> <p>Exclusions and Assumptions from any previous contract scope of work still apply. Major revisions or addenda to the Improvement Drawings, requests for additional data, or deviations from the initial City submittal of the 100% Improvement Drawings and City requested changes will be considered as additional services, and will be billed in accordance with our hourly rate schedule unless otherwise negotiated.</p>
<p>SERVICES TO BEGIN:</p>	<p>Upon receipt of written authorization.</p>

DELIVERABLES:	Revised Improvement Drawings, Supporting Documents, Additional Support Services and Meetings
ORIGINAL CONTRACT VALUE:	\$120,550 (time and materials basis, not to exceed)
PREVIOUS AMENDMENT VALUE(S):	N/A
CURRENT AMENDMENT VALUE:	\$56,800 (time and materials basis, not to exceed)
NEW TOTAL:	\$177,350 (time and materials basis, not to exceed)

**PROJECT MANAGER:** \_\_\_\_\_



(Signature)

**DATE:** 06/12/2019

**CLIENT:** \_\_\_\_\_

\_\_\_\_\_  
(Signature)

**DATE:** \_\_\_\_\_





**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Public Works**

**Prepared by: Bill Guerin,  
Director of Public Works**

**City Manager Approval:**

File No.: 18.06.59

**TOPIC: GRAND AVENUE PATHWAY CONNECTOR PROJECT**

**SUBJECT: ACCEPT COMPLETION OF THE GRAND AVENUE PATHWAY CONNECTOR PROJECT, CITY PROJECT NO. 11173, AND AUTHORIZE THE CITY CLERK TO FILE THE NOTICE OF COMPLETION**

**RECOMMENDATION:** Accept the project and authorize the City Clerk to file the Notice of Completion.

**BACKGROUND:** Grand Avenue and Francisco Boulevard East form the primary corridor for residents living in the Canal Neighborhood to the downtown area. The Grand Avenue Pathway Connector Project installed a 12-foot-wide bicycle/pedestrian bridge along Grand Avenue over the San Rafael Canal waterway. Installation of the bridge completes a long-standing, high-priority project envisioned since 2009 and will be utilized by pedestrians and bicyclists for years to come.

**ANALYSIS:** Pursuant to Civil Code Section 3093, the City is required to record a Notice of Completion upon City acceptance of the improvements. This acceptance initiates a time period during which project subcontractors may file Stop Notices seeking payment from the City from the funds owed to the Contractor for the project work.

**FISCAL IMPACT:** No fiscal impact is associated with this report. Construction of the bridge project was completed \$19,619 under the City Council approved budget of \$2,148,672.

**RECOMMENDED ACTION:** Accept the project and authorize the City Clerk to file the Notice of Completion.

**ATTACHMENT:**

- 1. Notice of Completion

**FOR CITY CLERK ONLY**

**File No.:** \_\_\_\_\_

**Council Meeting:** \_\_\_\_\_

**Disposition:** \_\_\_\_\_

**When recorded mail to:**

City of San Rafael  
Lindsay Lara, City Clerk  
1400 Fifth Avenue  
P. O. Box 151560  
San Rafael, CA 94915-1560

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**CITY OF SAN RAFAEL  
NOTICE OF COMPLETION OF IMPROVEMENT**

TO ALL PERSONS WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN for and on behalf of the City of San Rafael, County of Marin, State of California, that there has been a cessation of labor upon the work or improvement and that said work or improvement was completed upon the **26<sup>th</sup>** day of **June, 2019** and accepted the **5<sup>th</sup>** day of **August, 2019**; that the name, address and nature of the title of the party giving this notice is as follows: The City of San Rafael, 1400 Fifth Avenue, San Rafael, California, 94901, a municipal corporation, in the County of Marin, State of California, within the boundaries of which said work or improvement was made upon land owned by said City and/or over which said City has an easement; that said work or improvement is described as follows:

**GRAND AVENUE PATHWAY CONNECTOR PROJECT  
CITY PROJECT #11173**

and reference is hereby made for a further description thereof to the plans and specifications approved for said work or improvements now on file in the office of Public Works of said City, and said plans and specifications are hereby incorporated herein by reference thereto; and that the name of the Contractor who contracted to perform said work and make such improvement is

**Valentine Corporation**

I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Rafael, California, on \_\_\_\_\_, 20\_\_.

CITY OF SAN RAFAEL  
A Municipal Corporation

By \_\_\_\_\_  
BILL GUERIN  
Director of Public Works

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF MARIN

Subscribed and sworn to (or affirmed) before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by Bill Guerin, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
LINDSAY LARA  
San Rafael City Clerk

File: 18.06.59



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department:** Finance

**Prepared by:** Nadine Hade, Finance Director

**City Manager Approval:**

**TOPIC: RETIREMENT BENEFIT REPORT**

**SUBJECT: INFORMATIONAL REPORT RELATING TO THE SAN RAFAEL 2019 INDEPENDENT COMMITTEE ON EMPLOYEE RETIREMENT BENEFITS' REPORT DATED JUNE 20, 2019**

**RECOMMENDATION:** Accept informational report relating to the San Rafael 2019 Independent Committee on Employee Retirement Benefits' report dated June 20, 2019.

**BACKGROUND:**

The City Council's ad hoc Pension / Other Post-Employment Benefits (OPEB) Committee ("Pension Committee") was established in 2012 to review pension reform actions taken by the City, as well as to consider and make recommendations relating to future actions regarding pension reform and related topics. In October 2013, the Pension Committee created an ad hoc group, referred to as the "Citizens' Group on Pension Reform" ("2014 Committee"), to serve in an advisory role to the Pension Committee by conducting an analysis of the options then-available to the City that would further pension/OPEB reform goals and producing a written report with their findings.

On March 17, 2014, the 2014 Committee presented [a written report](#) ("2014 Report") to the City Council to share their findings. The 2014 Report provided information about different types of pension plans, as well as about the pension plan administered by the Marin County Employees' Retirement Association ("MCERA"), specifically for the benefit of current, former, and retired City employees. The 2014 Report found that the City had, through negotiation and agreement with the City's employees, made structural changes to the City's pension plans to reduce future pension costs. These changes were made before the enactment of the Public Employees Pension Reform Act of 2013 ("PEPRA"), but the City reforms were consistent with, and in some respects, more aggressive than those authorized by, PEPRA. The 2014 Report also included suggestions for additional actions to be taken by the City to address costs of retiree benefits, including repayment of the substantial unfunded pension actuarial liability. The report characterized the suggestions for potential further action as additional thoughts and options for consideration.

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**FOR CITY CLERK ONLY**

**File No.:**

**Council Meeting:**

**Disposition:**

**ANALYSIS:**

In late 2018, the City Council's Pension/OPEB Sub-Committee formed a new advisory committee, referred to as the "Independent Committee on Employee Retirement Benefits" ("2019 Committee") to review and update the work of the 2014 Committee. The scope of the 2019 Committee's work was to prepare a written report as follows:

- Update any of the findings and other content contained in the 2014 Report
- Explore any additional actions that could be taken to reduce pension liabilities
- Provide answers to potential questions that might arise concerning each of the potential actions

In preparing the 2019 Report, the 2019 Committee took the following approach. First, the committee determined which 2014 Report "Additional Thoughts" items have not been eliminated by actions or events occurring since the publication of the 2014 Report. Second, the 2019 Committee identified ideas for potential approaches or action items not addressed in the 2014 Report. Third, where possible, the 2019 Committee identified the advantages and disadvantages for each thought or suggestion and the practicality of implementing each. Fourth, the 2019 Committee attempted to categorize each thought or additional potential action by the following: (i) the time horizon for its implementation; (ii) which decision-making body would be required to implement the action; and (iii) whether such decision-making body action is exclusive of, or complementary to, the action of a different body.

On June 20, 2019, the 2019 Committee submitted their findings in a written report ("2019 Report") to Mayor Phillips and Councilmember Gamblin (Attachment 1). This report includes the results of that analysis and, where appropriate, the 2019 Committee's evaluation of each item. Additionally, the 2019 Committee identified the following potential options not discussed in the 2014 Report:

1. Eliminate existing positions / do not backfill vacated positions.
2. Analyze effect on City hiring and retention of (i) potential impact of increased PERS contribution requirements in neighboring jurisdictions and (ii) outcome of pending California Supreme Court cases.
3. Provide housing benefits within Marin County to fire, safety, and other employees to improve City's competitive position.
4. Limit or reduce retiree cost-of-living adjustment (COLA)s.

Each of these four potential actions includes an overview, analysis, and summation section. Additional details, including the 2014 Report, are provided in the 2019 Report.

After the report was finalized, an inaccuracy was identified in response #6 regarding "substituting third party negotiators for management negotiators." For many years, the City has had the practice of using experienced and independent professionals to fill the role of "Lead Negotiator" during contract negotiations. The Human Resources Director and Assistant City Manager are also at the negotiating table when necessary. This model helps staff maintain cooperative relationships with bargaining unit representatives and avoids potential conflicts of interest that could arise if only internal staff were involved in negotiations. In the most recent round of negotiations, the City engaged with the legal firm of Burke, Williams and Sorensen, LLP for their labor negotiation services. This legal firm has the specialized public sector labor experience.

**FISCAL IMPACT:** There is no fiscal impact associated with this action.

**RECOMMENDED ACTION:**

Accept informational report relating to the San Rafael 2019 Independent Committee on Employee Retirement Benefits' report dated June 20, 2019.

**ATTACHMENT:**

1. Report from the San Rafael 2019 Independent Committee on Employee Retirement Benefits' report dated June 20, 2019

**San Rafael 2019 Independent Committee  
On Employee Retirement Benefits**

June 20, 2019

**BY HAND**

Hon. Gary O. Phillips  
Mayor  
City of San Rafael  
City Hall, Room 203  
1400 Fifth Avenue  
San Rafael, CA 94901

**BY HAND**

Hon. John Gamblin  
Councilmember  
City of San Rafael  
City Hall, Room 203  
1400 Fifth Avenue  
San Rafael, CA 94901

Re: Report by San Rafael 2019 Independent Committee on Employee  
Retirement Benefits

Dear Mayor Phillips and Councilmember Gamblin:

Enclosed herewith is report, dated June 20, 2019, referenced above.

We thank you for the opportunity to provide our service to the City of San Rafael.

Yours very truly,



Jim Holden



Megan Hutchinson



Jack Nixon



Alan Piombo



Jeff Schoppert, Chair

**REPORT BY SAN RAFAEL 2019 INDEPENDENT COMMITTEE  
ON EMPLOYEE RETIREMENT BENEFITS**

**TO: Hon. Gary O. Phillips, Mayor, and  
Hon. John Gamblin, Councilmember:  
City of San Rafael Council Ad Hoc Pension/Other Post-Employment  
Benefits (OPEB) Subcommittee**

**DATE: June 20, 2019**

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**I. BACKGROUND**

**A. 2014 Committee**

In March 2014, the Citizens' Group on Pension Reform (the "2014 committee") prepared a written report (the "2014 report") for the City of San Rafael City Council Subcommittee on Pension/OPEB ["other post employment benefits"]. The report was produced in response to the council subcommittee's request that the 2014 committee to look into issues related to the costs of pensions and OPEB for City of San Rafael (the "City") and the effect of those costs on the City's ability to fund needed infrastructure and capital improvements. The subcommittee further asked the 2014 committee to offer an unbiased opinion as to steps already then taken by the City to reduce pension and OPEB costs and to identify what further actions might be taken to reduce and manage such costs.

The 2014 committee report provided factual background about different types of pension plans generally, as well as about the plan administered by Marin County Employees' Retirement Association ("MCERA") specifically for the benefit of current, former and retired City of San Rafael employees.

The 2014 report found that the City had, through negotiation and agreement with the City's employees, made structural changes to the City's pension plans to reduce future pension costs. These changes were made before the enactment of the Public Employees Pension Reform Act of 2013 ("PEPRA"), but the City reforms were consistent with, and in some respects, more aggressive than those authorized by, PEPRA. For ease of reference, a copy of the 2014 report is attached to this report as Appendix A. The present report should be read in conjunction with the 2014 report, which provides a more comprehensive discussion of some of the matters discussed in this report.



The 2014 committee reported it had discussed various suggestions for additional actions to be taken by the City to address the budget concerns related to the costs of retiree benefits, including repayment of the substantial unfunded pension actuarial liability (\$134.1 million as of June 30, 2018 – the most recent date for which information has been made available by MCERA). These suggestions were identified in the 2014 Report as “Additional Thoughts.” (Pages 7-8 of 2014 report.)

## **B. 2019 Committee Charge**

In late 2018, Mayor Gary Phillips asked five community members from varied backgrounds to form a new committee to review and update the work of the 2014 committee. On January 28, 2019, Mayor Phillips met with this newly formed committee (the “2019 committee”) and explained his desires with respect to the committee’s work.

First, the Mayor asked that the committee update any of the findings and other content contained in the 2014 report.

Second, the Mayor asked that committee to explore any additional actions that could be taken to reduce pension liabilities.

The Mayor asked that whatever report issued from the 2019 committee’s work provide answers to potential questions that might arise concerning each of the potential actions.

## **C. Committee Mission Statement**

Upon acceptance of the Mayor’s charge, the 2019 committee adopted the following mission statement to guide its work:

The committee will review existing reports related to past investigations into current and unfunded future liabilities for City of San Rafael employee retirement benefits. The committee will analyze the existing and any alternative means to manage such liabilities, taking into account the City’s future employee hiring and retention needs or requirements.

## **D. 2014 Committee Unfinished Business**

Since the 2014 committee could not reach unanimous agreement to recommend the adoption or implementation of the report’s suggestions, the 2014 report characterized the suggestions for potential further action as additional thoughts and options for consideration.

The current committee analyzed and evaluated each of the numbered additional thoughts in the 2014 report. This report includes the results of that analysis and, where

appropriate, the current committee's evaluation with respect to each item. Additionally, the 2019 committee identified potential options not discussed in the 2014 report.

## **II. 2019 COMMITTEE APPROACH**

In preparing this report, the committee took the following approach.

First, the committee determined which 2014 report Additional Thoughts items have not been obviated by actions or events occurring since the publication of the 2014 report.

Second, the committee identified ideas for potential approaches or action items not addressed in the 2014 report.

Third, where possible, the committee identified and articulated the pros and cons for each thought or suggestion and the practicality of implementing each such item.

Fourth, the committee attempted to categorize each thought or additional potential action by (i) the time horizon for its implementation; (ii) which decision making body would be required to implement the action, *e.g.*, the City; MCERA; the state legislature; courts; voters; employees/bargaining unit representation organizations (unions); and (iii) whether such decision-making body action is exclusive of, or complimentary to, the action of a different body.

A table summarizing results of this approach is attached to this report as Appendix B.

### **A. Materials Reviewed and Discussed in Connection with Preparation of 2019 Report**

The 2019 committee reviewed the following written materials:

- (i) 2014 report;
- (ii) 2018 and 2019 MCERA Actuarial Valuation Reports prepared by Cheiron;
- (iii) MCERA Financial Statements with Independent Auditor's Report for fiscal Year ended June 30, 2017;
- (iii) City of San Rafael Retiree Healthcare Plan June 30, 2017 Actuarial Valuation Plan Funding for 2018/19 and 2019/20;
- (iv) Numerous Marin County Grand Jury reports, dated beginning in 2005, related to pension and other post employment benefits (OPEB) and responses by MCERA and City of San Rafael thereto;
- (v) MCERA Retirement System Overview prepared for City of San Rafael, dated January 2019;

- (vi) California League of Cities City Managers Department Pension Sustainability Working Group White Paper, dated January 2019;
- (vii) California Supreme Court decision in *CalFIRE Local 2881 v. California Public Employees Retirement System* (March 4, 2019) \_\_\_\_ Cal. 4<sup>th</sup> \_\_\_\_, (no. S239958) [the air time case] and media reporting related thereto and to other pension-related cases pending before the California Supreme Court; and
- (viii) the California Department of Tax and Fee Administration (CDTFA) website discussion of sales tax collection from out-of-state sellers following the United States Supreme Court decision in *South Dakota v. Wayfair, Inc.* (2018) 585 U.S. \_\_\_\_, (Docket no. 17-494), and California’s enactment of Revenue and Taxation Code section 6203.

In addition, City Manager Jim Schutz, Assistant City Manager Cristine Alilovich, City Finance Director Nadine Atieh Hade, and City Economic Development and Innovation Director Danielle O’Leary provided oral briefings to, and answered questions posed by, the committee.

**B. Recently Decided and Pending California Supreme Court Cases Affecting Pension Obligations**

Following the enactment of the Public Employees Pension Reform Act of 2013 (“PEPRA”), some California public employee retirement benefit providers applied PEPRA reforms to employees hired before the reforms were enacted. These reforms did not generally affect the core pension, but rather benefits granted earlier by the local entities that had the effect of boosting the manner in which the final compensation base was calculated. Public employee unions have challenged the application of the reforms to the calculation of pensions due employees hired before the reforms took effect.

The California Supreme Court recently decided one case involving the removal of the right of pre-reform hires to enhance their pension amount calculations by purchasing credit for years not actually worked, so called “air time”. In that case, *CalFIRE Local 2881 v. California Public Employees Retirement System*, \_\_ Cal. 4<sup>th</sup> \_\_\_\_, (no. S239958), decided March 4, 2019, the court ruled the right to purchase such credits was not a vested contractual right and therefore the pension enhancement benefit could be eliminated by statute.

Other cases pending before the California Supreme Court will provide additional opportunities for the court to address and refine the contours of the judicially created doctrine called the California Rule, which provides constitutional protection to vested pension rights. The outcome of those cases could affect the amounts of pension benefits due retired City of San Rafael employees and, thus, the City’s required contributions to the MCERA-administered retirement plan. However, at this point, there is no clear indication about how, or how broadly, the Supreme Court will rule on the issues raised in

the now pending cases. For a further explanation of the cases remaining to be decided, see the March 11, 2019 online blog post by *San Diego Union-Tribune* reporter, Ed Mendel: “New pension-cut rulings begin with little change,” found at <https://calpensions.com/2019/03/11/new-pension-cut-rulings-begin-with-little-change/> [explaining court decision analysis of difference between unchangeable vested contractual pension rights and statutorily granted rights, which can be modified].

### **C. Additional Thoughts Implemented to Date or Combined with Other Items for Discussion**

Some of the items identified in the 2014 report as Additional Thoughts have been implemented or are naturally included in the discussion of one or more other Additional Thoughts. For example, Additional Thought number 6 called for items 1 through 5 to be implemented in combination. For this report, the chart, attached as Appendix B, indicates whether any of the measures discussed would be exclusive of another, or complementary to one or more other measures.

2014 report Items numbers 7 and 8 both relate to negotiations with bargaining groups and are thus discussed jointly under item number 6 below.

2014 report Item number 9, related to a public educational effort, is part and parcel of the discussion of the proposal to increase taxes and is thus subsumed into the discussion of item number 5 below.

Item number 11 called for the implementation of GASB 68 rules for financial reporting of accrued actuarial liabilities and for public education of the meaning of such reporting. The City and MCERA have implemented this accounting standard. In addition, the City has implemented the similar financial reporting standard, GASB 75, for the City’s unfunded OPEB obligations. (See section below re: OPEB at pages 6-7.) The discussion of the public education recommendation with respect to GASB 68 or GASB 75 disclosures would take part in the context of any tax increase ballot measure campaign, discussed below in the context of item number 5, “Increased Sales Tax.”

### **D. Analysis of 2014 Report Additional Thoughts**

#### **1. Freeze or reduce salaries (2014 report Additional Thought no. 1)**

**Overview:** The 2014 report identified salary freezes or reductions as possible ways to free up money “to pay into the pension fund.” This committee considered what the potential benefits and drawbacks of these ideas might be.

**Action to date:** The City has frozen or reduced salaries for two positions in 2018, both of which are non-represented roles.

**Analysis:** Freezing or reducing salaries could reduce City costs as soon as the freezes or reductions were implemented, and they could reduce some associated pension costs in the future for new hires brought in at lower starting salaries.

However, salary freezes or reductions could end up lowering employee morale, as employees are unlikely to be happy to perform the same work for less or without the hope of pay raises. Additionally, pay freezes or reductions could lead existing employees to leave for higher paying jobs in other municipalities or the private sector. Finally, lower or frozen pay could result in potential new hires taking jobs elsewhere.

Additionally, the majority of City jobs are unionized, so changes to pay for most City positions would require negotiation with the unions, which could result in the City having to give more elsewhere to make up for reduced or frozen salaries if the unions were even to agree at all.

**Summation:** Reducing or freezing salaries would reduce costs immediately but would be an extreme measure that could have immediate negative impacts on City functioning by reducing morale for existing employees, by causing employees to leave for higher paying jobs, and by making positions less attractive to potential new hires. The City has frozen or reduced salaries for two non-union positions in the past year, so evaluating the effects of those salary changes could inform future decisions regarding salary reductions or freezes.

In order for salary freezes or reductions to be a practical option, the City would have to: (1) compare its salaries with other municipalities to determine whether frozen or reduced pay would allow it to remain competitive; (2) consider its existing contractual obligations and future negotiating positions; and (3) determine how it would market this as a positive change to keep employee morale up and to retain and attract employees in the future.

## **2. Reduce OPEB (retiree healthcare) commitments (2014 report Additional Thought no.2)**

**Overview:** The 2014 report discussed retiree health care benefits and suggested cost savings could be achieved through reducing health care benefits and applying the savings to the pension issue. (See “Retiree Health Benefit Costs,” at page 7 of the 2014 report.) The committee believes the City has reduced its future OPEB liabilities to the greatest practical extent, and that the section 115 funding mechanism to reduce accrued liabilities over time (discussed below) is appropriate. Moreover, the amount of any further benefit reduction would be relatively small when compared to other pension costs. Thus, any

budgetary impact from further benefit reduction would likely be minimal and could affect the City's competitive hiring and retention status.

**Action to date:** The 2014 report described the City's efforts to cap retiree benefits and the establishment of a trust, tax exempt under section 115 of the Internal Revenue Code, to fund future liabilities for those benefits. (A detailed description of the City's efforts in this regard is contained in the City's response, dated August 8, 2013, to the Marin County Civil Grand Jury Report entitled "Marin's Retirement Health Care Benefits: The Money Isn't There," dated May 21, 2013, and in the updated grand jury report entitled "Marin's Retirement Health Care Benefits: The Money Still Isn't There," dated May 10, 2017 and the City's response, dated July 17, 2017. (The reports and the City responses are available online at [https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2012/opeb\\_report.pdf](https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2012/opeb_report.pdf) [2013 report]; [https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2012/responses/san\\_rafael\\_retirement\\_health\\_care.pdf](https://www.marincounty.org/-/media/files/departments/gj/reports-responses/2012/responses/san_rafael_retirement_health_care.pdf) [2013 City response]; [http://cityofsanrafael.granicus.com/MetaViewer.php?viewid=38&event\\_id=801&meta\\_id=109143](http://cityofsanrafael.granicus.com/MetaViewer.php?viewid=38&event_id=801&meta_id=109143) [2017 report and City response]. Information about section 115 trusts generally is available online at <http://www.gfoa.org/establishing-and-administering-opeb-trust>.)

In 2017, the City Council adopted a formal policy with respect to funding OPEB, reducing the OPEB accrued actuarial liability (the unfunded future obligations) and the financial reporting related thereto. The 2017 council resolution also identified the actions to be taken to implement the policy. The policy and action plan adopted by the council is described in the staff report entitled "Retiree Healthcare Reporting and Funding," dated September 18, 2017. The staff report is available online at [http://cityofsanrafael.granicus.com/DocumentViewer.php?file=cityofsanrafael\\_1fab60cd70c93627274a8c9c6db9f329.pdf](http://cityofsanrafael.granicus.com/DocumentViewer.php?file=cityofsanrafael_1fab60cd70c93627274a8c9c6db9f329.pdf).

**Analysis:** While these reforms were needed and appropriately implemented by the City, the reduction in the unfunded actuarial liability related to retiree health care costs has not been immediately obvious. Beginning in 2013, the City began making payments into the trust to reduce the outstanding accrued actuarial liability. This amount is being amortized over 23 years. As of the date of the 2014 report, the City section 115 trust was approximately 35% funded. As of June 30, 2017, the unfunded actuarial accrued liability for retiree healthcare benefits was \$33.524 million, representing a trust funding ratio (calculated in accordance with GASB 75 accounting standard) of 35%.

**Summation:** While the City's efforts to fully fund future OPEB obligations are a step in the right direction, the failure to increase, in the short term, the funding ratio for the section 115 trust shows the intractable effects of investment earning and demographic change sensitivities. However, the City must maintain its annual efforts to reduce the OPEB unfunded accrued actuarial liability if it hopes to avoid a future funding crisis.

### **3. *Outsource certain functions with acceptance of existing pension obligations (2014 report Additional Thought no. 3)***

**Overview:** The 2014 report suggested outsourcing certain functions of City government in order to transfer pension liabilities to a third party and cap existing obligations. The 2014 committee did not address this suggestion in depth. Given the pension costs associated with each City position, this committee deemed it worth considering outsourcing certain functions (particularly those that are not unique to City business) if such a move could lower pension obligations in the future.

The committee's expectation is that certain roles currently filled by City employees could be performed at a cost savings (now and in the future) because the work could be performed for less by someone in the private sector or because the City would not accrue any new pension obligation for employees in the private sector. This is of unknown value, as the committee has not compared the current salary and pension obligations for any particular City job with what the City would have to pay a private sector company to perform the same work.

**Action to date:** The City has staffed some of its information technology functions with technicians who are not City employees and has some other, specific roles filled by fixed-term employees where the nature of the work is temporary in some sense and where the employees participate in the Public Agency Retirement Services pension plan, which is a less costly pension plan than MCERA. The majority of City positions are union positions, so the City is required to meet and confer with the union before changing a position from a union-represented bargaining group position to some other categorization.

**Analysis:** Since the majority of City positions are unionized, the committee believes the city would not likely be willing to expend the time and resources needed to engage in the bargaining process to effect meaningful payroll and pension contribution reductions through outsourcing. Accordingly, the outsourcing solution, while it might ultimately save money, seems impractical at this time.

Aside from the practicality of its implementation, there are a number of potential drawbacks to outsourcing. These include: (i) loss of administrative control; (ii) the potential negative effect on morale; and (iii) potential negative political repercussions. The potential for these negative outcomes would likely be more concerning for - and therefore less suitable for certain City functions, such as those where the community expects a particular quality of service that the City could not guarantee if such services were provided by private sector contractors. Additionally, outsourcing any functions could have the negative effect of lowering remaining employees' morale, as employees might disagree with the positions selected for outsourcing or might fear their jobs could be the next to be outsourced.

While there might be negative political repercussions to outsourcing work, there is also the possibility that the public would see this as a positive step toward governmental efficiency.

To make this a practical option for cost-savings, the City would have to analyze its workforce to identify which roles are less necessary for the City to exercise control over and, which, if any, of those roles could be performed by private sector contractors at a lower rate without violating agreements with the unions.

This option could potentially be implemented at any point for non-union positions, but the exact timing of implementation could depend on existing employment contracts. Without contractual obstacles, the cost reduction could be immediate with associated lower pension costs in the future.

**Summation:** The City could consider whether any current City positions could be performed by private sector companies for the same or less than what the City currently pays its employees in salary and benefits to perform that work, without reducing the quality of the services the City provides and without violating union or other employment agreements. If functions can be performed by the private sector for less or equal to what current employees receive in pay and benefits without a decline in quality (and assuming all contractual obstacles are addressed), then outsourcing those positions would allow the City to stop accruing additional pension obligations. Eliminating payroll expense would reduce the amount of the annual normal cost contribution of the City to MCERA. However, it would not reduce the amount of the annual City contribution to the reduction of the UAL balance, which would continue to be calculated in the same manner with no variation due to a change in the size of the current city payroll.

#### ***4. Combine services and facilities with other jurisdictions to reduce ongoing and future costs. (2014 report Additional Thought no. 4)***

**Overview:** The 2014 report suggested combining services with other municipalities and using the payroll savings to pay down pension obligations. This committee believes combining appropriate services and facilities with other jurisdictions will save payroll, pension, and operating costs. Nonetheless, such combinations could prove to be politically difficult and the City may not be willing to cede direct control of certain services and their attendant facilities and equipment costs.

**Action to date:** After many years of discussions, the City of San Rafael recently agreed in writing to provide fire chief services to the fire agency of the Marinwood Community Services District. Shared services with other jurisdictions are informal and relatively insignificant.



**Analysis:** The balkanization of municipal services among Marin County jurisdictions results in the over-staffing for some services and unnecessary duplication of physical facilities. Although the staffing and facilities within each jurisdiction may be appropriate for it standing alone, the combination of San Rafael’s services with one or more other jurisdiction’s services would allow for the reduction in staffing and facility requirements and accordingly payroll, pension, and facility costs. As a practical matter it may be politically difficult to arrange for the combining of services, since each jurisdiction would lose its direct and exclusive control over the shared personnel and the priorities for them. In any event it does not appear to be an action readily available.

**Summation:** Combining services and facilities with other jurisdictions presents seemingly obvious cost savings opportunities. The committee believes the City should continue to pursue opportunities as they arise and take the lead in encouraging other jurisdictions to participate. However, the committee recognizes the long entrenched barriers to service consolidation with the City and does not view this approach as likely to produce near term pension obligation savings.

**5. Increase sales tax (2014 report Additional Thought no. 5)**

**Overview:** Both the 2014 committee and the current Mayor have suggested the possibility of increasing the sales tax rate in San Rafael to generate revenue. The current San Rafael sales tax of 9% can be broken down as shown in the table below.

*Sales Tax Distribution for San Rafael, CA*

State of California General Fund	3.94%
County of Marin (Health and Safety)	1.56%
City of San Rafael	1.00%
City of San Rafael Transactions & Use Tax	0.75%
County of Marin (Public Safety)	0.50%
Transportation Authority of Marin (TAM)	0.50%
County-Wide Transportation	0.25%
SMART (in Marin County)	0.25%
Marin Parks/Open Space/Farmland Preservation	0.25%
Total	9.00%

State law limits the total sales tax rate to 10.25%. Thus, the difference between the current 9% and the ceiling of 10.25%, i.e., 1.25%, represents is what is legally, if not pragmatically, available for a sales tax increase in San Rafael.

**Action to date:** Since the 2014 report, no action has been taken to increase the City’s sales tax revenue.

**Analysis:** A sales tax increase can generate substantial additional City income which may or may not be attributed to a specific use, e.g., the defrayment of future pension costs. A one-quarter percent (.25%) additional sales tax will generate about \$4 million using the current sales volume. To give this perspective, note that an infusion of four million dollars into the projected revenues for fiscal year 2018-19 would increase the current total revenue by about 5.1%.

However, there are potential downsides to increasing the San Rafael sales tax. Any sales tax increase will make shopping in San Rafael more expensive for all shoppers regardless of the size of the purchase.

The sales tax is a regressive tax: it takes a greater percentage of the pay of low- and middle-income citizens than it does of higher income citizens. Thus, low- and moderate-income residents of San Rafael are more negatively impacted by an increased sales tax.

The sales tax increases the cost of doing business. Businesses now face a significant sales tax burden in San Rafael, and business purchases account for roughly 40% of all sales and use tax collected by state and local governments.

Finally, the sales tax is subject to fluctuation caused by changes in the volume of sales in San Rafael. While the once anticipated loss of sales tax collections due to untaxed online purchases may now be largely prevented by the *Wayfair* decision and subsequent California rules, there is still one negative economic factor that should be recognized and given due weight. The inevitable recession stemming from the current business cycle would reduce the amount of new sales tax collected from the original projection because economic activity, particularly the purchase of large-ticket items such as vehicles, would be reduced, albeit by an unknown amount. This circumstance will, of course, also reduce the current sales tax.

Economic markers, such as the recently inverted yield curve and the six-month slowing of the advance in the Leading Economic Index suggest the real possibility of an economic downturn (a euphemistic term for a recession) in the next several years. We are overdue, having been in an economic expansion for over ten years. The person who says “this time it’s different” has been mistaken every time.

Recessions occur when economic output declines after a period of growth. They are a natural and necessary part of every business cycle. However, as one consequence, when unemployment rises, consumers typically reduce spending, which further pressures economic growth and fuels a negative cycle that exacerbates the economic downturn. Our concern here is that the next recession, whenever it comes, will cause a reduction in the sales revenue of San Rafael merchants and, consequently, San Rafael’s sales tax revenue, both existing and any new.

It behooves our City Council to prepare to deal with this real possibility of a reduction in the projection of new and existing sales tax revenue when deciding whether to seek voter approval for an increase in the sales tax rate.

**Summation:** As a practical matter, the ability to pass a new sales tax measure may be limited. A new sales tax measure will require majority support by the San Rafael City Council plus a 50% or 2/3 approval by voters depending on whether the tax is “general purpose” or “special purpose.” San Rafael voters may be feeling tax fatigue following both recent and future local (wildfire protection parcel tax, *e.g.*), regional and statewide tax measures.

Depending on political will, the earliest time frame for enacting an new sales tax measure is estimated at one and a half to two years.

#### **6. *Substitute third party negotiators for management negotiators (2014 report Additional Thought nos. 7 and 8)***

**Overview:** The 2014 report suggested the manner in which the City conducts labor negotiations with union-represented City employees is flawed and leads to higher labor costs. The 2014 report suggested two potential solutions to the perceived negotiation problems. First, the report suggested the City employ an “independent” third party specialist negotiator. Second, the report, suggested that management representative negotiators not have the manager’s compensation increased in parity with the negotiated raises for the bargaining unit employees. The committee believes the City Council has always had the power to hire third party negotiators when it deems it desirable. Since the City council sets the parameters of a negotiator’s power, in general it should not be necessary to hire third parties. The city manager and council should be able to oversee and prevent any other perceived negotiation shortcomings.

**Action to date:** None.

**Analysis:** Negotiators, whether management or third-party, are operating under the instructions and parameters set by the city council and presumably in concert with the attorneys hired by the City. In general, it does not seem that management negotiators would have significant self-interest in the outcome that would outweigh the responsibilities inherent in their jobs. The city council always has the power to hire third party negotiators when it deems it necessary to do so, for reasons of skill or perceived self-interest or bias on the part of existing management negotiators.

**Summation:** The committee does not believe that implementation of the suggested negotiation reforms would produce negotiation results superior to those currently conducted under the supervision of the city manager and the city council.

## **7. Support Reed initiative or similar legislative efforts to modify California Rule (2014 report Additional Thought no. 10)**

**Overview:** The 2014 report discussed attempts to change legislatively the judicially created California Rule. This rule gives constitutional protection to pension rights as of the date of first employment and prevents a public employer from later reducing the formula by which such pensions are calculated. (See “Vested Rights” at page 3 of 2014 report.)

**Action to date:** In 2013-2014, then-San Jose Mayor Chuck Reed, and former San Diego City Council member, Carl DeMaio proposed an amendment to the state constitution which would alter the California Rule. Their proposed amendment (sometimes referred to as the “Reed-DeMaio initiative,” or, more simply, as the “Reed initiative”) would have allowed workers to keep already earned retirement benefits, but also have permitted public entity employers to modify the accrual of future benefits through the collective bargaining process or by public referendum.

As a constitutional amendment, the proposal would have required statewide voter approval. The Reed initiative never made it to the ballot, however, based in part on the description of the measure drafted by the California Attorney General for inclusion in the ballot pamphlet. That language informed voters that the proposal “eliminates constitutional protections for vested pension and retiree healthcare benefits for current public employees, including teachers, nurses, and peace officers, for future work performed.” For further information see the *Los Angeles Times* article (Apr. 7, 2017) “The cost of California’s public pensions is rising fast. But efforts to fix the problem by ballot measure have fizzled,” discussing the proposed initiative and the reasons its sponsors declined to move forward with seeking voter approval of the state constitutional amendment. (Available at <https://www.latimes.com/projects/la-me-pension-crisis-initiatives/>.)

**Analysis:** The 2014 committee identified as Additional Thought number 10 the support of the Reed initiative, or other like modifications to state law, whether by initiative or legislative action. The 2019 committee believes this thought continues to be worthy of consideration, but believes such legislative change is unlikely to occur given the current state political climate.

The 2019 committee is unable to predict the financial effect on San Rafael’s pension liabilities of reforms like those proposed in the Reed initiative. Such liabilities could be reduced if the City could bargain for reduced benefits. However, reduced benefit accrual for future work could have an adverse effect on the City’s ability to attract and retain employees, depending upon what competing employer jurisdictions would choose to do if statewide law permitted changes like those proposed in the Reed initiative.

**Summation:** Statewide reforms like those proposed in the Reed initiative offer the best hope for leveling the playing field among all jurisdictions that compete to hire and retain

the best possible workforce. Nonetheless, these efforts appear to face an uphill battle in the current political climate.

#### **8. *Raise retirement age (2014 Additional Thought no. 12)***

**Overview:** The 2014 report suggested the retirement age could be raised (meaning, presumably, the age at which the full amount of the pension benefit could begin to be collected could be deferred beyond age 55, 57, or 62, depending upon tier). The 2014 committee suggested the upward change because people are living longer.

**Action to date:** Since the date of the 2014 report, neither the City nor any of the surrounding jurisdictions appear to have made efforts to raise any retirement age.

**Analysis:** Raising the retirement age would require legislative action to create new pensions formulas for safety and non-safety employees. The increased retirement age could serve to lower pension costs by extending the period of time the employee and employer contribute to the retirement system and lowering the amount of time the employee would collect a pension. Any new retirement formulas would only apply to future employees, unless there were favorable rulings in the pending court cases, which could allow changes for existing employees, prospectively.

Legislative action supporting such changes could occur within a two-year timeframe but would require broad support at the state-level. Any associated saving or cost reductions would be realized in the 3-10 year range as current employees enter retirement and new employees enter the system at lower contribution rates. Additionally, unless there is an opportunity reduce benefits for current employees, there is no impact on the current unfunded actuarial liability (UAL). The increased retirement age may impact costs associated with worker compensation claims and disability retirements, particularly for safety employees.

**Summation:** Without statewide action and a comprehensive cost/benefit analysis, this suggestion seems unlikely to advance further at this point in time.

#### **9. *Move toward defined contribution retirement system (2014 report Additional Thought no. 13)***

**Overview:** The 2014 report suggested the City switch from a defined benefit retirement plan to a defined contribution system, if and when such changes become possible, in order to bring the City retirement benefit program more in line with the kinds of benefits provided by private employers. Such a change could shift the risk of adequately funding future retirement benefits, and thus their current costs, from the employer to the employee.

**Action to date:** Nothing has occurred to date with respect to switching from a defined benefit to a defined contribution form of retirement plan. Nonetheless, while not a defined contribution plan, and not one calling for a City contribution, the 457 plan should be mentioned. The City offers to all City employees the opportunity to enroll in a 457 deferred compensation plan through one of two providers, either of which invests the employee's money based on given choices. Contribution is voluntary by the employee and the City does not contribute. Employee contributions are tax-deferred until withdrawn as are the earnings on the contributions.

The normal contribution limit for elective deferrals to a 457 deferred compensation plan is increased from \$18,500 to \$19,000 in 2019. Employees age 50 or older may contribute up to an additional \$6,000 for a total of \$25,000. Employees taking advantage of the special pre-retirement catch-up may be eligible to contribute up to double the normal limit, for a total of \$38,000.

Withdrawals are generally taxable but, unlike other retirement accounts, the 10% penalty tax does not apply to distributions prior to age 59 ½ (the penalty tax may apply to distributions of assets that were transferred to the 457 plan from other types of retirement accounts). In other words, participants could access the assets in their 457 account upon separation of service without a penalty, no matter what their age.

Required Minimum Distributions ("RMD") are required beginning at age 70 1/2, based on the IRS Uniform Lifetime Table or the Joint Uniform Lifetime Table.

This plan is likely to most benefit the higher paid employee who can afford to make significant contributions.

**Analysis:** A defined contribution plan calls for the employer to guarantee the contribution as a percentage of the employees' salary, thus defining what the employer pays into the plan. This gives the employer the ability to budget for a known quantity as a percentage of total base payroll.

Since it behooves the employee to make the investment decisions, the City does not assume the investment risk, thereby relieving it of (i) any guarantee of retirement income for the employee and (ii) criticism for the performance of the investments.

Arguments against are few to nil for the employer, but for the employee are several. The employee must assume the investment risk, since the employee must make the investment decision. Some will like that control, while others who do not wish to make those decisions and/or who do not wish to understand the relative risks and machinations of the stock and bond market will not. In a downturn, such employee may unwittingly and undeservedly criticize the employer and that criticism may lead to disharmony.

The employer may not sufficiently fund the plan (as a percentage of pay), leaving the employee with less than an adequate pension at retirement when the employee wishes to convert the employee's lump sum account into a lifetime annuity. In short, a defined contribution plan requires that the employee fully understand the consequences of his investment decisions and the outcome of such.

The practicality of this change is low. For the City to change from a defined benefit plan to a defined contribution presumably would require changes by the legislature and the Governor plus a buy in by the public employee unions and any other stakeholders. Changes of this nature would likely require that the City be on the brink of bankruptcy.

While defined benefit ("DB") plans have proven to be overly costly to government agencies to the point of service insolvency, and while the defined contribution ("DC") plan concept does not offer the guaranteed retirement income upon which employees have relied, adoption of a combination of the two could achieve a satisfactory outcome for both employer and employee.

A base DB plan, offering benefits reduced substantially from current formulas, will still provide a floor of guaranteed retirement income for the employee for which the employer will still have a cost that varies by actuarial factors and investment yields beyond its control. The DC plan, on the other hand, establishes a known contribution (as a per cent of salary) for the employer which the employee can invest to supplement the DB plan: the account can be converted to retirement income at the time of retirement or later, thereby allowing the fund to continue to grow and giving the employee flexibility in his retirement income planning. In short, a combination of the two allows the employer more budgeting control (the DC plan) and the chance for cost savings while still giving the employee a guaranteed basic floor of retirement income (the DB plan).

Moreover, a well-promoted voluntary 457 plan, which is tax-deferred, can further an employee's ability to accumulate funds for retirement.

To know what the potential outcomes might be both for the employer and the employee would require actuarial calculations and conservative investment projections, both of which are beyond the scope of the analysis presented in this report.

It should be noted that the League of California Cities City Manager's Department supported a combination retirement plan in its January 2019 white paper, to wit, reasonable, dependable, and financially sustainable, employer-employee funded Defined Benefit plans for career employees, supplemented with other retirement savings options including personal savings (e.g. 457 Plan" and/or 401a Defined Contribution Plan (DCP)).

The timeframe for accomplishing a change would be long and indeterminate. It would depend on the state of the City in the long view.

**Summation:** A defined contribution plan does not offer the guarantees to the employee which a defined benefit provides. But when the cost of a defined benefit plan becomes unsustainable and creates service insolvency (meaning the City can no longer provide the level of services mandated and necessary), the issue of whether the benefits of a defined benefit plan are excessive becomes problematic and consequential.

#### **10. *Extend income averaging period used to calculate pension payment (2014 report Additional Thought no. 14)***

**Overview:** The 2014 report suggested extending the final compensation calculation period from one year or three years to five to seven years.

**Action to date:** Since the date of the 2014 report, neither the City nor any of the surrounding jurisdictions appear to have made efforts to extend the final average compensation calculation period as suggested.

**Analysis:** Extending the income averaging period from three years to five to seven years would require legislative action to create new pensions formulas. The extended income averaging could serve to lower pension costs by lowering final compensation for retirement benefit calculations. The significance of any new retirement formulas would only apply to future employees unless there were favorable rulings in the pending court cases, which could allow changes for existing employees, prospectively.

Legislative action could occur within a two-year timeframe but would require broad support at the state-level. Any associated saving or cost reductions would be realized in the three to ten year range as current employees enter retirement and new employees enter the system at lower contribution rates. Additionally, unless there is an opportunity to reduce benefits for current employees, there would be no impact on the current unfunded actuarial liability (UAL).

### **E. New Potential Actions**

#### **1. *Eliminate existing positions/Do not backfill vacated positions***

**Overview:** There are two options within this item: eliminating positions or not filling positions as they are vacated. Although the 2014 report did not address the possibility of reducing pension obligations in the future by eliminating positions or not filling positions as they become open, this committee identified these as two possible ways to reduce future pension obligations and to reduce costs in the present.

**Action to date:** The City has not performed a comprehensive audit to determine if positions should be eliminated or not backfilled, but it does an iterative, reevaluation of



the need for positions, especially when they become open. In this process, the City identifies the needs of the position and determines if the work needs to be realigned or reorganized and if the position needs to be filled or not. The City has found this to be an effective method of evaluating positions and needs. The City has not decreased its total number of authorized positions (Full Time Equivalent “FTE” count), but it has eliminated positions as part of department reorganizations, rather than because of budget cuts. Specifically, the City has had three positions unfilled in the past three years.

**Analysis:** Assuming every position currently filled is important to the City serving its residents, eliminating positions or not filling positions as they are vacated could have significant drawbacks. First, reducing positions or not filling available positions could result in remaining employees taking on greater workloads, which could affect morale. Not back-filling vacated positions would likely have less of a negative effect on morale, as it would at least not involve the City eliminating existing employees’ positions. Additionally, either eliminating positions or not filling vacated positions could result in increased overtime pay due to the additional work employees would have to take on, and such pay could affect these options’ potential cost-savings. Finally, reducing or not filling positions could also lead to reduced services, which (depending on the service) could be unpopular and/or could affect effective City management.

On the other hand, assuming that not every position filled is critical to the City serving its residents, evaluating positions to identify inefficiencies would be in the public interest and could result in immediate cost-savings in terms of current salaries and future pension obligations.

Importantly, most City positions are unionized, so the elimination of positions would be complicated but not impossible.

**Summation:** Not backfilling positions as they are vacated would allow the City to avoid taking on new pension obligations, and eliminating positions could limit associated pension obligations to those accrued to date, but these potential benefits would have to be considered in light of potential overtime costs, lower morale, and reduced City services. To make eliminating or not backfilling positions a practical option for cost-savings, the City would therefore have to analyze its workforce to identify where employees have room to take on more work to make up for eliminated or vacant positions and/or which roles may have become less necessary. It has been reported that the City is evaluating positions as they become open, so this may not be a new way for the City to save money. It would also be difficult to eliminate many positions because they are unionized and would therefore require discussion and negotiation with the union. Moreover, because the City reduced its FTEs by 12% during the recession, it is operating in a manner it already considers to be lean, so position elimination may not be a realistic way to save significantly. Finally, as with the potential for cost savings through outsourcing (pages 8-9, above) further reductions in force would not reduce the City’s ongoing annual UAL payment to MCERA.

## ***2. Analyze effect on City hiring and retention of (i) potential impact of increased PERS contribution requirements in neighboring jurisdictions and (ii) outcome of pending California Supreme court cases***

**Overview:** Contribution rates for the statewide CalPERS retirement system are projected to increase over the next few years, which may serve to mitigate or balance the competitive disadvantage that currently exists between MCERA participant employers and local PERS agencies. The cost comparisons are not significantly difficult calculations and could provide a better understanding of projected employer costs differences in the local market over the next three to ten years.

**Analysis:** Favorable decisions on the pending court cases could allow employers to renegotiate future benefits for current employees, which could serve to lower retirement costs. It could also create a favorable environment for additional legislative changes (*i.e.*, PEPR 2.0). However, there are potential risks associated with waiting for the CalPERS changes or further legislation to take effect. Delaying action to lower current retirement costs or raise additional revenue to balance compensation in the local market could result in further deterioration in competitive salaries and further losses of experienced personnel to other regional agencies.

**Summation:** The City must balance the risk of short term loss of competitiveness in the employee hiring and retention arena against the substantial long term benefits that could accrue from waiting to increase employee compensation until the CalPERS/MCERA playing field has leveled.

## ***3. Provide housing benefits within Marin County to fire, safety, and other employees to improve City's competitive position***

**Overview:** High housing costs in Marin County force some City employees to leave their employment by San Rafael for employment by lower housing cost jurisdictions closer to their homes with shorter commutes. A housing benefit in the form of financing and/or down payment benefits to employees for the purchase of homes in Marin might prevent movement of employees to lower housing cost jurisdictions by making employee housing in Marin more affordable and significantly reducing employee commute times. It could also reduce the necessity of higher wages and pension benefits, but the advantages produced by the benefits in total would have to be weighed against the costs of the benefit program.

**Action to date:** None.

**Analysis:** The object of a financing or down payment benefit to enable the purchase of homes within Marin County would be to mitigate (i) the high cost of housing within Marin County (ii) lengthy commute times, both of which have been causes of employee

loss to lower cost jurisdictions. Such benefits might eliminate or mitigate the competitive disadvantage to a great extent and perhaps reduce, to some extent, the necessity of raising wages, assigned percentage for COLA increases, and other pension costs deemed necessary to compete.

Housing benefits for residences within the County could be provided potentially in essentially two areas, financing and/or down payment, although a third more complicated area might be to develop housing for City employees on existing City property. This analysis will discuss only financing and down payment benefits.

**a. *Financing.*** The committee has been informed it may be possible for MCERA to provide low cost financing (perhaps under 3%) for City employees so long as loan repayment is guaranteed by the City. Alternatively, the City could arrange for financing from an institutional home lender (probably at a higher rate), once again with a City guaranty. The City could make such financing available to personnel who had completed a specified number of years of employment by the City, for instance five years, and contract to keep the financing in place for so long as the employee continued (i) to be an employee of the City and (ii) to own and reside in the financed home as the employee's primary residence. The portion of the financing provided by the city or MCERA could be limited to an amount acceptable to the City, presumably with a dollar limitation on the amount financed. The City would contribute a proportion of the monthly payment according to a pre-determined schedule. In the event that prior to a specified term the employee's employment by the City was terminated voluntarily or involuntarily or the employee ceased to own and reside at the home as the employee's primary residence, the debt would become due within one year following the termination event and paid off proportionally between the employee and the City in accordance with a scheduled allocation. The City could arrange for insurance to pay off the debt in the event of early death.

**b. *Down payment.*** The City could pay/lend all or a portion of the down payment for a residence within Marin County. In general, it would carry the same conditions as the financing above, except that in the event of employment termination or cessation of residence before the specified term, the portion of any down payment made or financed by the City would be allocated for repayment in accordance with a pre-determined schedule.

The housing benefit would be attractive only to certain employees. There would be some complications, foreseen and unforeseen, from its use. The cost of any benefits to be gained would have to be carefully considered against the costs of the program, both monetarily and otherwise. If appropriate, it would be used to retain important seasoned employees who now leave the City employment on or soon after the five year mark. The City could join with other jurisdictions with high housing costs to seek any legislation required to make the housing benefit effective, if PEPRA limits its implementation as a pension cost savings tool.

**Summation:** Without statewide action allowing exemptions to the PEPRA mandated pension floor, this suggestion seems unlikely to advance further at this point in time. Moreover, federal law governing non-discrimination in the offer and provision of employee benefits, could hamper the City's ability to implement such a change to the current pension regime.

#### ***4. Limit or reduce retiree COLAs***

**Overview:** Cost of living adjustments ("COLA") to pension benefits have a compound effect over time and can greatly increase the cost of providing such pensions as retirees live longer and collect benefits over their longer lifetimes. Some advocacy groups have suggested that a reduction in the COLA benefit is necessary to prevent a potential collapse of the state's pension systems. The committee believes it is not practical to try to reduce potential COLA benefits for current and former employees and retirees already collecting MCERA benefits. Nonetheless, a potential negotiation of such a benefit reduction for future hires could reduce long term pension plan funding costs.

**Analysis:** City of San Rafael retirees are entitled to an annual upward cost-of-living adjustment to the amount of the pension benefit. The percentage amount of the COLA depends upon the tier to which a retiree belongs. (See chart at page 4 of 2014 report.) The maximum percentage amounts (3% or 2%) are determined by reference to increases in the Consumer Product Index, as published by the federal government. Since anticipated COLA's are included in the actuarial assumptions used to determine both the employer and employee portions of the normal cost contribution, employees are prefunding, to a certain extent the COLA's they will eventually receive when they begin to collect retirement benefits.

The 2014 report did not address COLA adjustments as a way to strengthen the financial stability of the pension plan and the amount of the City's required annual contributions to the plan. Recently, however, the League of California Cities, City Managers Department Pension Sustainability Working Group produced a white paper on the subject of the COLA in the context of the CalPERS retirement system.

In that paper, the working group advocates attempting to scale back the COLA percentage for current CalPERS retirees to avoid the deleterious effects of the compounding COLAs and the effect of increasing retiree longevity. Arguably, the MCERA CPI increases history and changing longevity assumptions have similar effects on the MCERA plan finances.

The committee thinks the likelihood of achieving pension funding costs saving through either (i) a voluntary reduction in the COLA percentage or (ii) through Reed initiative type modification for future work, is low. Although, as demonstrated in the

League white paper, the cost savings could be significant and have an immediate effect, such measures face serious political headwinds, as discussed above with respect to the Reed initiative. Moreover, retirees would seem unlikely to agree to forego a benefit they are currently receiving at this time, without being pressured to do so by the threat of a retirement system insolvency. Finally, any reduction in potential retirement benefits could adversely impact the City's ability to hire and retain employees, if other jurisdictions did not either lead the way or follow suit with similar COLA limitations.

**Summation:** The prospects for a short term or immediate reduction in COLA benefits for either future hires, or those employees and retirees whose benefits have already vested, seems very unlikely at this point in time. That situation might change if, and when, the MCERA pension plan appears to be in danger of failing to be able to meet its ongoing payment obligations.

Respectfully submitted,

**San Rafael 2019 Independent Committee  
On Employee Retirement Benefits**

## CITIZENS' GROUP ON PENSION REFORM

### Report to the City of San Rafael City Council Subcommittee on Pension/OPEB Benefits

For a number of years, the City has been concerned that the costs of pensions and other post employment benefits (OPEB) have been taking resources which might otherwise be used to provide services to the public and repair and improve the City's infrastructure and capital assets. In that past several years the City has taken action to reduce those costs to some extent, and formed a City Council Subcommittee on Pension/OPEB Benefits to look into the issues. Looking for an unbiased opinion on the steps already taken and what actions the City might still take to contain those costs, The subcommittee called for formation of a citizen group to study the issues and report its thoughts.

Dirck Brinckerhoff was asked to choose and chair the group. The other members are Laura Bertolli, David Hellman, David Holsberry and Michael Lotito.

The members studied materials produced by others conversant with the issues, including, among other things,

- Analyses of the current state of pension and health benefit funds of various entities, including San Rafael, by the Marin County Civil Grand Jury, the Marin County Council for Mayors and Councilmembers, the Committee for Sustainable Pension Plans, the actuarial consultant for the Marin County Employees' Retirement Association, City of San Rafael staff and others;

- Summaries and analyses of portions of pension law by the League of California Cities and by SEIU;

- Legal analyses of the vested rights theories;

- The Reed Initiative;

- Staff reports to the San Rafael City Council on the progress made in negotiations with employee groups within the city.

The members also met with City staff and with Jeff Wickman, administrator of the Marin County Employees' Retirement Association.

The report below summarizes what the group learned, the actions so far taken by the City, the members' analysis of what may still be possible within the current legal structure, and a listing of additional approaches, not as suggestions, but as thinking points.

## BACKGROUND INFORMATION:

There are Two Basic Types of Pension Plans:

1. Defined Contribution plans, under which the employer and employee contribute specified percentages of the employee's pay during the course of employment, and the retiree is entitled to collect, in one manner or another, the payments and the amounts they have earned by virtue of investment by the pension administrator.

In a defined contribution plan, the obligation of the employer to make payments into the plan lasts only as long as the employee is employed. The employer must simply deposit the correct amount monthly during employment. The pension administrator is then obligated to pay out, according to schedules, the total of the contributions and whatever gains the administrator has been able to garner by investment.

2. Defined Benefit plans, which are the type common for public employees, provide the retiree with monthly payments for life in an amount calculated on formulas based on years of service, type of service, retirement age, and the amount of earnings at retirement.

In this case, if the contributions plus the investment earnings are not enough to make those payments, the employer (in this case the City) must make up the difference.

Recently, governmental entities have come to realize that the obligations to which they have been bound by law and by agreement with employees, whether directly, through union agreements, or by virtue of the rules of their pension administrators, are taking and will take in the future, so much of their income that they will not be able to continue to provide the services expected and deserved by the citizens.

In reaction, the California legislature has passed laws which allow for, and in some cases mandate, changes in the entitlement formulas and funding processes for pensions for newly hired employees in particular and for all employees in some cases.

We will first look at how the defined benefits for retirees are expressed and calculated (Benefit Formulas), and then how they are paid for (Funding the Benefits).

### Benefit Formulas:

Tiers --

Pension benefits are defined by formulas which provide for payments of a certain percentage of the employee's salary for each year served, depending on the age at retirement. These formulas (called "tiers") have changed over the years and have been different depending on the category of employee (Safety Fire, Safety Police, Miscellaneous).

The tiers are usually described by the percentage of final average salary which would be payable per year of employment to an employee retiring at a particular age after having worked within the system for 10 years. Thus "2.7% at 57" is the shorthand reference to a whole chart showing benefit amounts payable to retirees depending on retirement age and years of service where an employee retiring at age 57 after 10 years of service is entitled to 27% of final average salary. Below is an example of a tier chart for a "2% at 55" tier, in which the intersection of the age column and the years of service row indicate that the benefit for a 55 year old employee retiring after 10 years of employment would be 20% of the employee's final average salary (2% X 10 years):

Years of Service	Age													
	60	61	62	63	64	65	66	67	68	69	70	71	72	73+
10	14.26	15.22	16.28	17.42	18.66	20.00	20.62	21.04	21.66	22.10	22.62	23.14	23.66	24.18
11	15.69	16.74	17.91	19.16	20.53	22.00	22.57	23.14	23.72	24.31	24.88	25.45	26.03	26.60
12	17.11	18.26	19.54	20.90	22.39	24.00	24.62	25.25	25.87	26.52	27.14	27.77	28.39	29.02
13	18.54	19.78	21.16	22.65	24.26	26.00	26.68	27.35	28.03	28.73	29.41	30.08	30.76	31.43
14	19.96	21.31	22.79	24.39	26.12	28.00	28.73	29.46	30.18	30.94	31.67	32.40	33.12	33.85
15	21.39	22.83	24.42	26.13	27.99	30.00	30.78	31.56	32.34	33.15	33.93	34.71	35.49	36.27
16	22.82	24.35	26.05	27.87	29.86	32.00	32.83	33.66	34.50	35.36	36.19	37.02	37.86	38.69
17	24.24	25.87	27.68	29.61	31.72	34.00	34.88	35.77	36.65	37.57	38.45	39.34	40.22	41.11
18	25.67	27.40	29.30	31.38	33.59	36.00	36.94	37.87	38.81	39.78	40.72	41.65	42.59	43.52
19	27.09	28.92	30.93	33.10	35.45	38.00	38.99	39.98	40.95	41.99	42.98	43.97	44.95	45.94
20	28.52	30.44	32.56	34.84	37.32	40.00	41.04	42.08	43.12	44.20	45.24	46.28	47.32	48.36
21	29.95	31.96	34.19	36.58	39.19	42.00	43.09	44.18	45.28	46.41	47.50	48.59	49.69	50.78
22	31.37	33.48	35.82	38.32	41.05	44.00	45.14	46.29	47.43	48.62	49.78	50.91	52.05	53.20
23	32.80	35.01	37.44	40.07	42.92	46.00	47.20	48.39	49.59	50.83	52.03	53.22	54.42	55.61
24	34.22	36.53	39.07	41.81	44.78	48.00	49.25	50.50	51.74	53.04	54.29	55.54	56.78	58.03
25	35.65	38.05	40.70	43.55	46.55	50.00	51.30	52.60	53.90	55.25	56.55	57.85	59.15	60.45
26	37.08	39.57	42.33	45.29	48.52	52.00	53.35	54.70	56.06	57.46	58.81	60.16	61.52	62.87
27	38.50	41.09	43.96	47.03	50.38	54.00	55.40	56.81	58.21	59.67	61.07	62.48	63.88	65.29
28	39.93	42.62	45.58	48.78	52.25	56.00	57.46	58.91	60.37	61.88	63.34	64.79	66.25	67.70
29	41.35	44.14	47.21	50.52	54.11	58.00	59.51	61.02	62.52	64.09	65.60	67.11	68.61	70.12
30	42.78	45.66	48.84	52.26	55.98	60.00	61.56	63.12	64.68	66.30	67.86	69.42	70.98	72.54
31	44.21	47.18	50.47	54.00	57.85	62.00	63.61	65.22	66.84	68.51	70.12	71.73	73.35	74.96
32	45.63	48.70	52.10	55.74	59.71	64.00	65.68	67.33	68.99	70.72	72.38	74.05	75.71	77.38
33	47.06	50.23	53.72	57.46	61.58	66.00	67.72	69.43	71.15	72.93	74.65	76.38	78.08	79.79
34	48.48	51.75	55.35	59.23	63.44	68.00	69.77	71.54	73.30	75.14	76.91	78.68	80.44	82.21
35	49.91	53.27	56.98	60.97	65.31	70.00	71.82	73.64	75.46	77.35	79.17	80.99	82.81	84.63
36	51.34	54.78	58.61	62.71	67.18	72.00	73.87	75.74	77.62	79.56	81.43	83.30	85.18	87.05
37	52.76	56.31	60.24	64.45	69.04	74.00	75.92	77.85	79.77	81.77	83.69	85.62	87.54	89.47
38	54.19	57.84	61.86	66.20	70.91	76.00	77.98	79.95	81.93	83.98	85.96	87.93	89.91	91.88
39	55.61	59.36	63.49	67.94	72.77	78.00	80.03	82.08	84.08	86.19	88.22	90.25	92.27	94.30
40	57.04	60.88	65.12	69.68	74.64	80.00	82.08	84.16	86.24	88.40	90.48	92.56	94.64	96.72
41	58.47	62.40	66.75	71.42	76.51	82.00	84.13	86.26	88.40	90.61	92.74	94.87	97.01	99.14

“Compensation” for purposes of Tiers:

The compensation to which the tier percentages are applied is the “Final Average Compensation” for a specific period. That had commonly been the last 12 months of employment.

The compensation included in that average (called “Pensionable Compensation”) has been comprised of regular salary, payments for additional services outside normal working hours, certain types of unused leave, and certain other payments. By saving up these add-ons and taking them in their last year of employment, employees were able to increase dramatically the Final Average Compensation used to calculate their pensions. This practice is known as pension spiking.

Vested Rights:

Currently, the unions and most courts take the position that the benefit tier (and definition of Final Average Compensation) applicable to any employee at retirement is the most beneficial one applicable to members of his or her category during the period of his or her employment. The theory, supported by the Constitutions of the United States and of California, is that, as a part of the employee’s whole compensation package, the employee accepted (or continued) employment based on the promise of that tier’s benefits. As a result, it is said that the employee’s rights to the benefits in that tier become “vested” and irrevocable once he or she has worked under it, even though new employees may be entitled only to less beneficial tiers, and regardless whether the employee and employer had, during the period of employment, contributed enough to the pension administrator to fund those payments.

State Legislative Moves:



While it was somewhat like shutting the barn door after the cow has left, when people realized that the promised benefits were unsustainable without either increasing taxes or reducing services, the California legislature passed The Public Employee Pension Reform Act of 2013 (“PEPRA”), which made a number of changes in public pensions in California. Because of the vested rights theory, these changes affect mostly “new employees”, who are those hired on or after 1/1/2013.

Among other things, PEPRA established:

1. New tiers, which provide for pensions calculated at a lower percentages of salary and at higher retirement ages,
2. A 36 month Final Average Compensation period rather than the 12 month period which had been the previous standard.
3. A cap on “Pensionable Compensation” at 120% of the maximum salary used to calculate Social Security contribution for the rest of the population
4. Exclusions of certain types of payments (mentioned earlier) from the calculation of “Pensionable Compensation” to prevent pension spiking.
5. A cap on cost of living increases (COLA) which pension administrators are allowed to pay.

San Rafael’s Progress:

The chart below shows the changes in benefit tiers, final average compensation and maximum cost of living increases applicable to San Rafael’s employees depending on the date of their employment. As can be seen, the City and the employees had agreed to significant reductions in benefits before the passage of PEPRA.

<u>Dates</u>	<u>Min Age to Retire</u>	<u>Formula</u>	<u>Max COLA</u>	<u>FAC* Period</u>
<u>Before 7/1/11</u>				
Safety	50	3% at 55	3%	1 yr.
Miscellaneous	50	2.7% at 55	3%	1 yr.
<u>7/1/11 to 12/31/12 (Negotiated before PEPRA)</u>				
Safety	50	3% at 55	2%	3 yrs.
Miscellaneous	55	2% at 55	2%	3 yrs.
<u>1/1/13 to Present (PEPRA)</u>				
Safety	50	2.7% at 57 <sup>1</sup>	2%	3 yrs.
Miscellaneous	52	2% at 62	2%	3 yrs.

\*Final Average Compensation

<sup>1</sup>Safety Option Plan Two (required by PEPRA based on prior formula)  
 Lower tier could be applied to new hires if agreed in collectively bargained MOU without impasse.

Funding the Benefits:

The retirement plans are funded by a combination of contributions by the employer and employee paid to a pension administrator. For many government entities the administrator is the California Public Employee’s Retirement System. For San Rafael and numerous other Marin entities, the Marin Employees’ Retirement Association (“MCERA”) which invests the contributed money with the goal of having enough funds available when employees retire to make the promised payments to them and to any eligible beneficiaries for the rest of their life.

Normal Cost

Using assumptions as to the rate of return on the invested funds, the rate of inflation, and the expected retirement age of employees, the pension administrator calculates the amount of contributions needed each year to invest so that there will be enough in the fund to make the pension payments. The contribution needed if we were starting with a clean slate is called the “Normal Cost”.

Normal Cost is the amount needed to be contributed in each year to have enough available to pay the defined benefits when the employees retire. (Assuming past contributions had been sufficient.)

In making its projections of the amount needed, the actuaries for MCERA currently calculate the needs based on the following assumptions:

Investment Return/Discount Rate	7.50%	
Inflation:	3.25%	
Real Rate Of Return	4.25%	(Investment minus Inflation)
Salary Growth	3.25%	
Membership Growth (# employees)	0.00%	i.e., total number of employees remains stable

It is common with most governments that the employer and employees each pay a portion of the Normal Cost.

As a result of negotiations with the employee unions, most of the San Rafael employees are paying very close to half of the Total Normal Cost.

Cost Sharing: The PEPRA requirement is that new employees pay at least half of Total Normal Cost. For pre-1/1/2013 employees, that is a “goal”.

Unfunded Liability:

In the case of most every government entity’s pension fund, a history of benefit increases, optimistic actuarial assumptions, and investment losses has created a situation in which the past contributions have not built the fund’s assets to sufficient size to make the benefit payments required by the formulas. The difference between the amounts now in the funds and the amounts needed to cover the expected pension obligations to retirees is referred to as the “Unfunded Liability”.

The shortfall arose for many reasons, among them:

1. In the past, to attract and keep good employees, cities have agreed to increase benefits beyond what they originally planned for (the result is like saving for a trip to Disneyland and then paying for an excursion to Europe instead),
2. people have lived longer than projected, thus collecting payments longer than expected,
3. the value of investments has not grown at the projected rate (and in recent years, dramatically decreased)
4. employees have negotiated or found ways to increase their income just before retirement (“pension spiking”) so that the contributions during their regular employment income turn out not to be enough to cover the retirement payments under the defined benefit formulas (which use only the final year(s)’ compensation to determine benefits).

To assure payment of the promised pension benefits, it is necessary to make payments in addition to the Normal Cost to make up the Unfunded Liability.

To make up the Unfunded Liability, MCERA is requiring contributions in addition to Normal Cost to bring the plan to 100% funded within 17 years. (I.e., based on a 17 year amortization.)

Because the 2008 loss in asset value was so great, and making it up would put such a strain on the City’s finances, to soften the load, MCERA is requiring contribution for half of the 2008 losses based on a 30 year amortization.

Last year, in addition to its portion of the Normal Cost and the two portions of the Unfunded Liability, San Rafael made an additional contribution of \$1,000,000.

#### FINDINGS:

1. Before the passage of PEPRA, the City had, through negotiation and agreement with its employees, taken many of the measures required or allowed by PEPRA.
2. Possible Additional Measures for the City:

#### For New Members:

Under PEPRA, the City can agree with New Members in a MOU to pay some or all of the employer’s share of Normal Cost. (Negotiation and agreement is required; unilateral imposition is not allowed.)

New employees can also agree to pay some or all of the payments toward the Unfunded Liability

This agreement may be reached with individual bargaining units; agreement with the whole classification is not required.

Payment of part of the unfunded liability may seem fair if it is for that portion of the unfunded liability which relates to the costs for that employee’s future benefits (i.e., not that part which covers benefits for employees already retired.

New tiers for new employees could be devised, but they would have to be certified as having no greater risk or cost than the PEPRA tiers and must be approved by the Legislature. Presumably they would also have to be negotiated with employees, and with the requirement of legislative approval, it would be foolhardy to try to obtain that without first having agreed with employees.

For Members hired before 1/1/2013:

It appears that, after Jan 1, 2018, similar negotiating is allowed with existing members with respect to payment of some or all of the employer's share of Normal Cost and some or all of the payments toward the Unfunded Liability.

Also, after January 1, 2018, the City can, after exhausting impasse, impose a requirement that employees pay 50% of Normal Cost, provided the employee contribution doesn't exceed 8% of salary for misc., 12% for safety and 11% for other employees. – San Rafael is near or at those maximums already.

General:

Since the structure of government pensions and the allowable changes to them are so tightly prescribed by state law, the most effective way to accomplish dramatic changes will be to pressure our legislators to pass laws which go beyond PEPR and somehow allow changes to benefits for those who have worked or are working under more advantageous tiers and rules.

Reduce rights in emergency

Retiree Health Benefit Costs:

For all past employees, San Rafael is committed to paying anywhere from \$386 per month to the full premium for retirees' health insurance. In 2009 and 2010, the City negotiated to cap those benefits so that they would not increase over time. Starting with employees hired in 2009, the City will be paying the legal minimum (currently \$115 per month) for retirees to use toward purchasing their own coverage, regardless of employment category, age of retirement, or health status.

The City has a trust fund, currently administered by CalPERS, to fund the liability for these benefits. This liability is currently approximately 35% funded.

Additional Thoughts:

The following ideas, outside the pension laws as they now stand, have been suggested by some, but are not agreed by all. They are not presented as recommendations of the group, and may not be desirable or feasible, but are mentioned as options for consideration.

1. Salary freezes or reductions from what might be agreed to so those funds are used to pay into the pension fund;
2. Since the health care benefits are not 'vested' in accordance with law, consider reducing that benefit in some fashion and use those funds towards the pension issue (consider, however, whether "promissory estoppel" may prevent this – see Retired Employees Assn of Orange County v. County of Orange and IBEW Local 1245 v. City of Redding,);

3. Consider outsourcing certain functions to transfer the liability to a third party or cap the liability to those who have accrued 'benefits' and have the private sector employer assume the risk instead of the taxpayer (however, see unpublished appellate decision in Costa Mesa City Employees' Assn. v. City of Costa Mesa, which questions a city's ability to contract out essential services);
4. Consider combining services with other towns to reduce costs and place the savings into the pension fund (though, depending on the benefits available in each of the combined agencies, consider whether Govt. Code Sec. 31,485.9 may require increasing all benefits to the highest of the combining agencies);
5. Increase taxes;
6. Any combination of the above;
7. Consider retaining an 'independent' third party specialist to negotiate the agreements to avoid the emotional pain that comes from the current system;
8. Ensure that the management representatives who negotiate the deals do not receive parity to improvements agreed to with the unit employees;
9. Engage in a massive educational effort for all voters to have them understand how the quality of services are being and will continue to be impacted by the debt which exists;
10. Support the Reed initiative, or other like modifications to state law, whether by initiative or legislative action.
11. Use the GASB68 standards requiring the City to report pension unfunded liabilities on the Statement of Net Assets as an opportunity to educate the public and the public employees so that all may be more receptive to taking actions necessary to resolve the issues we now face.
12. Since people are living longer, raise the age at which people can retire (this would likely require creation of new tiers – see above on the practicality);
13. Move towards defined contribution when/if this ever becomes possible, and bring agreements for new hires be more in line with private industry, where benefits are being cut.
14. Extend the wage average used to calculate the pension amount, over a longer period, say 5 or 7 years?

**Appendix B  
Potential Solutions Table**

<b>Proposed Solution</b>	<b>Pros</b>	<b>Cons</b>	<b>Practicality</b>	<b>Timeline*</b>	<b>E/C**</b>
<i>City Actions Without Legislative Changes</i>					
1. Salary Freeze or Reductions	Could reduce costs now and in the future	Potential employee losses, reduced morale, retention issues and difficulty in hiring replacements	Low - could be difficult to negotiate with unions, could be difficult politically, and could negatively affect morale, retention, hiring	(a)	C
2. Reduce OPEB	Reduce required payments by City for current and future healthcare expenses. Accelerate paydown of unfunded retiree healthcare actuarial liability	City has already taken actions to amortize paydown of unfunded actuarial liability; reduce money available for other purposes; reduce competitive hiring and retention advantage.	Low, unless investment earnings or retirement demographics show favorable changes in the future.	(a), (b)	C
3. Outsource Work	Potential to reduce current costs and future pension liabilities	Varies according to type of service outsourced, but all would involve loss of administrative control, might affect remaining employees' morale, and could have negative political repercussions	Medium, as could be difficult politically and certain city functions might not make sense to outsource	(a)	C
4. Combine Services	Cost savings	Loss of local control	Low to medium, depending on type of service to be combined	(b)	C

<b>Proposed Solution</b>	<b>Pros</b>	<b>Cons</b>	<b>Practicality</b>	<b>Timeline*</b>	<b>E/C**</b>
5. Increase Taxes	Will provide new revenue: each ¼% sales tax increase will equal about \$4 million	Voter opposition, may not pass; regressive tax: may suffer reduction due to economic downturn	Medium; depends on voter approval by one-half or two-thirds, depending on stated purpose	(a)	C
6. Outside Negotiators	Reduce potential conflicts of interest; potential improvement in negotiation skills	Shifts responsibility from leaders directly responsible for negotiations	Depends entirely on management and council desire to implement changes	(a)	C
<b><i>City Actions Requiring Legislative Support or Changes</i></b>					
7. Reed Initiative	Would allow modification of pre PEPPRA hire pension rights resulting in potential significant Normal Cost and UAL paydown expense	City could lose competitive hiring and retention advantages if other jurisdictions did not follow suit.	Low - would require statewide voter approval and be subject to further litigation challenges	(a)	C
8. Raise Retirement Age	Lowers retirement costs	Requires legislative changes; would only apply to future employees; may have cost impacts related to workers comp claims	Medium. Will require broad legislative support.	(b)	C
9. Defined Contribution	Remove investment risk for employers: easier to budget for pension outlay	Puts investment risk on employee: no guaranteed retirement benefit	Low: all stakeholders have to agree. May require legislative action	(b)-(c)	E
10. Extend Averaging	Lowers retirement costs	Requires legislative changes; would only apply to future employees; may have cost impacts related to workers comp claims	Medium. Will require broad legislative support.	(b)	C

<b>Proposed Solution</b>	<b>Pros</b>	<b>Cons</b>	<b>Practicality</b>	<b>Timeline*</b>	<b>E/C**</b>
<b><i>2019 Report New City Actions Without Legislative Changes</i></b>					
1. Elimination of existing positions/No backfill	Immediate savings; could streamline the city's functions by eliminating any positions that may have become unnecessary	Increased workload for remaining employees could lead to overtime pay and could lower employee morale; could be politically difficult.	Medium, depends greatly on the position and existing employees' workloads	(a)-(c)	C
2. Do nothing	Rising PERS costs may level costs with MCERA. Positive court decisions may allow flexibility to alter current agreements and lower costs.	Waiting to take action may create greater imbalance in local job market and increased loss of experienced personnel. Court decisions may not be favorable to employers.	High. PERS rates and court decisions will likely be recognized within the timeframe of potential tax measures.	(a)	C
<b><i>2019 Report New City Actions Requiring Legislative Support or Changes</i></b>					
3. In Lieu Housing Benefit	Reduce City MCERA normal cost contribution; retain skilled employees	May not be authorized under PEPRA; may not appeal to employees; administrative burden; loan default risk	Low to medium	(b) [to implement]; (c) [realize benefits]	C
4. Reduce COLAs	Reduce Normal Cost and UAL payments	Loss of inflation protection for retirees; COLA's already partially paid for by employees; reduce hiring and retention competitiveness	Low	(a)	C

\*For timeline column (time for impact to be felt): (a) Short term: one to two years; (b) Medium term: three to ten years; and (c) Long term: longer than ten years

\*\*E = Exclusive / C = Complimentary





**Agenda Item No: 5.b**  
**Meeting Date: August 5, 2019**

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Community Development**  
*Paul A. Jensen*

**Prepared by: Paul Jensen (EG),**  
**Community Development Director**

**City Manager Approval:** 

**TOPIC: Short-Term Rentals**

**SUBJECT: INFORMATIONAL REPORT ON SHORT-TERM RENTAL POLICY ANALYSIS, COMMUNITY OUTREACH, AND DRAFT ORDINANCE**

**RECOMMENDATION:**

Accept staff report and provide direction to staff on recommendations for program design and draft ordinance.

**EXECUTIVE SUMMARY:**

On February 19, 2019, the City Council was presented with an [informational report on potential Short-Term Rental \(STR\) regulations](#). Per the direction of the City Council, this report provides additional analysis to this report and overview of the community outreach associated with the development of a potential STR ordinance for the City of San Rafael. This report provides a summary of the Community Survey Findings regarding support for STR regulations.

Staff finds and recommends that STRs should be regulated and taxed. Included within this report is a draft ordinance for STR regulation in San Rafael based on the “minimal regulation” model adopted in Mill Valley. This model solely requires registration, fee payment, and transient occupancy tax (TOT) remittance. The report also provides additional policy elements utilized by other jurisdictions for which there is no clear direction existing in the San Rafael Municipal Code (SRMC).

First-year program costs associated with the proposed draft ordinance are estimated at approximately \$40,000 and ongoing program costs are estimated at approximately \$31,500 annually. Based on projected program costs, staff proposes a cost-recovering registration fee of \$165, payable at the time of initial registration, and a cost-recovering renewal fee of \$130, payable every year after initial registration. Costs would be reviewed annually and program fees would be adjusted to maintain cost-recovery. Staff estimates that the City could collect between approximately \$18,000 and 105,000 in potential TOT from active STRs in a given year. On average, TOT collection could be approximately \$39,000 annually.

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**FOR CITY CLERK ONLY**

**File No.:** \_\_\_\_\_

**Council Meeting:** \_\_\_\_\_

**Disposition:** \_\_\_\_\_

**BACKGROUND:**

At present, the City of San Rafael does not prohibit, regulate, or tax STRs. [In 2015, as part of the review of the Junior Dwelling Unit \(JDU\) ordinance](#), the City Council directed staff to monitor STR activity. As of July 1, 2019, there are 260 active STRs in San Rafael.

Since 2015, staff has tracked and recorded inquiries and complaints about STRs. During this time frame, the Community Development Department (CDD) received less than twelve inquiries and complaints.

On February 19, 2019, the City Council was presented with [an informational report on potential STR Regulations](#). This informational report presented several STR policy options including: maintaining the status quo, regulating and taxing STRs, and prohibiting STRs. At this meeting, the City Council requested that staff conduct the following:

- Expanded community outreach on Short-Term Rental approaches, regulations, best practices and options
- Further analysis on the impacts of Short-Term Rentals on the housing stock in San Rafael
- Further analysis on the use of Accessory Dwelling Units (ADU) and JDUs as STRs

Staff has prepared this informational report to provide an update on these actions, along with a draft ordinance for discussion only that would establish and regulations for STRs. At this time, staff seeks feedback and direction relating to the draft ordinance to prepare and present an ordinance for City Council consideration.

**ANALYSIS:**

**A. Expanded Community Outreach**

Beginning on March 22, 2019 and concluding on April 22, 2019, staff conducted an online community survey of potential Short-Term Rental allowances and regulations. The survey was made available in English and Spanish. Links to the survey were made available on the City's website, Facebook, Twitter, Nextdoor, City email distribution lists, and referenced in an [article published in the Marin Independent Journal](#).

Four-hundred-nine (409) individuals responded to the survey during the month that it was made available. While participation was very high for a community survey, since this was not a random survey, these results should not be considered representative of the City as a whole. Survey results and findings reflect only those individuals who completed the survey.

This section provides an overview of the survey findings, a comprehensive overview of the survey results can be found in **Attachment A**.

**1. Community Survey Overall Findings**

**Demographics**

Respondents were asked several demographics questions including: age, race, homeownership, neighborhood of residence, and tenure in San Rafael. The survey asked these questions to determine how representative the survey was compared to San Rafael as a whole. This information also helps Staff better understand the communities we are reaching with our existing outreach strategies and identify ways to improve. The main demographic findings include:

- 83% of respondents who took the survey identified as homeowners, compared to 52.3% of San Rafael households identifying as owner-occupied in the 2017 American Community Survey (ACS)
- 81% of respondents identified as white, compared to 65.9% of San Rafael residents identifying as white in the 2017 ACS
- 34% of respondents indicated their age as 65 years or older, followed by 24% between 55-64 years old, and 23% between 45-54 years old, compared to 18%, 11.5%, and 15.1% respectively in the 2017 ACS
- Respondents indicated a wide range tenure of people living in San Rafael with 39% having lived in their current home for 15 or more years, and 27% living in their homes for 1-5 years
- Respondents also indicated a broad distribution of neighborhoods represented, with no individual neighborhood providing more than 10% of responses

### Support

To understand overall opinion of STR regulation, the survey asked which of the following statements best reflected respondents' opinion:

- San Rafael should leave STRs unregulated
- San Rafael should allow STRs but regulate them
- San Rafael should ban STRs
- Not Sure/Undecided

Forty percent (40%) of respondents, or 155 individuals, said San Rafael should allow STRs but regulate them. Thirty-three percent (33%), or 128 individuals, said San Rafael should leave STRs unregulated. Twenty-two percent (22%), or 84 individuals, said San Rafael should ban STRs.

### Awareness

When respondents were asked if they were aware of short-term rentals in their neighborhood, fifty-six percent (56%) of respondents, or 228 individuals, said yes. Of those 228 individuals who were aware of an STR in their neighborhood, only 94, or twenty-three percent (23%) of all respondents, said the STRs had caused problems. The top three problems these 94 respondents indicated experiencing were:

- Lack of Parking (76%);
- Strangers in the Neighborhood (63%);
- Noise Complaints (57%)

### Concerns and Priorities

All respondents were asked about their level of concern across nine STR-related challenges. However, no issue received more "Very Concerned" votes versus "Not Concerned". "Party Houses" was the only issue where the difference between "Not Concerned" and "Very Concerned" was near zero.

All respondents were also asked how they would prioritize eleven different short-term rental regulations. Five regulations stood out---receiving a greater or equal percentage of votes for "The Single Biggest Priority" and "A Major Priority" versus "Not a Priority":

- Limit number of guests or occupants
- Require 24-hour local contact
- Require rules be posted in rental
- Require STRs pass a safety inspection
- Require additional parking

Short-Term Rental Hosts

The survey also asked questions specifically for STR Hosts. Nearly one third of respondents-- or 128 responses-- indicated they are:

- Current hosts (15% or 57 response);
- Have been hosts (5% or 18); or
- Have thought about being hosts (14% or 53).

Of these 128 respondents, the clear majority, 84% or 104 respondents, indicated they currently live at the property they are renting. Of the types of properties rented, hosts said:

- 32% (40 respondents)- A room in a house,
- 30% (37 respondents)- Whole House,
- 24% (30 respondents)- An Accessory or Junior Dwelling Unit,
- 14% (18 respondents)- Other.

When asked why these respondents host STRs, financial reasons—"Additional Income" or "Help with Mortgage Payments"-- outpaced all other options as the single biggest reason.

Finally, the survey also asked if hosts would be willing to pay an annual registration fee. 58% (or 73 respondents) said yes, while 42% (or 55 respondents) said they would decide not to list their properties instead of paying a fee. Furthermore, on average, hosts said they would be willing to pay an annual fee of \$121--including hosts who said they would not be willing to pay a fee.

**B. STR Impacts on Existing Housing Stock**

At the February 19 City Council Meeting, staff was directed to perform further analysis on the impacts of STRs on the housing stock in San Rafael, as well as ADU and JDU use as STRs.

Since 2000 the City of San Rafael has approved 137 permits for ADUs, JDUs, or Second Units. When staff compared these 137 permits to the 271 STRs currently advertised in San Rafael,<sup>1</sup> only 17 out of the 271 STRs currently advertised have an approved permit for either a JDU, ADU, or second unit.

Following a review of all 271 active STR listings, staff identified approximately 60 listings-- including the 17 listings with approved permits--that appeared likely to be an additional onsite unit (i.e., ADUs, JDUs, duplex unit to a single-family home). This review suggests there are approximately 43 active STR listings likely unpermitted for their current use.

If ADUs and JDUs were prohibited from becoming an STR, there is no guarantee they would become long-term housing options. Even if the 43 potentially unpermitted STR listings identified by staff required permitting, the market would dictate their suitability as long-term or short-term housing. Due to these market forces, there is little incentive either for the City to prohibit the use of ADUs or JDUs as STRs or for a property owner to apply for permits on an ADU or JDU prohibited for STR use.

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<sup>1</sup> Based on data collected by Host Compliance, there are 271 STRs advertised in San Rafael (as of July 1st, 2019). Due to listings being advertised across several platforms, some of these 271 STRs may be duplicates.

**C. Draft Ordinance**

Staff finds that of the three STR policy options presented to the City Council on February 19, 2019 (no Regulation (status quo), regulation and taxation, or prohibition) STRs should be regulated and taxed. Staff has developed a draft ordinance establishing a short-term rental registration program and requiring the collection and remittance of transient occupancy taxes (TOT) (Attachment B). This draft ordinance is based on the “minimal regulation” model adopted in Mill Valley, which only requires registration, fee payment, and TOT remittance. This section outlines the changes to the Municipal Code as part of this draft ordinance.

As discussed in the February 19, 2019 staff report, STRs are currently not regulated, and the host/property owner is not required to obtain a City business license. To address these issues, the draft ordinance includes the following amendments to the Zoning Code definitions in [SRMC Section 14.03.030](#):

- Add a definition for “Short Term Rentals”:

*“Short-term rental” means the rental of all or a portion of a dwelling unit for less than 30 days of consecutive tenancy.*

- Amend the definition of “Hotel” by removing “multiple guest rooms”:

*“Hotel” means any building or portion thereof ~~containing multiple guest rooms~~ designed for compensation, primarily for the accommodation of transient travelers, with eating, drinking, banquet and recreational facilities related to the hotel use, but not including those facilities defined as residential care facilities.*

- Amend the definition of “Home Occupation” to explicitly not apply to short-term rentals:

*“Home occupation” means an accessory use of a dwelling unit, conducted entirely within the dwelling unit, carried on by one (1) or more persons, all of whom reside within the dwelling unit, as further defined in [Section 14.16.220](#), Home occupations, but not including those facilities defined as short-term rentals in [Section 14.03.030](#) of this Code.*

Additionally, the draft ordinance would amend the Transient Occupancy Tax (“TOT”) definitions in [SRMC Section 3.20.020](#) to include “Short Term Rental” in the definition of “Hotel”:

*“Hotel” means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, short-term rental or other similar structure or portion thereof.*

In addition to these changes to existing Municipal Code sections, this draft ordinance would add a new chapter to the Code, *Chapter 10.110- Short Term Rental Program*, outlining the short-term rental program requirements and regulations, which include the following:

- Application and registration of short-term rentals;
- Quarterly reporting requirements for hosts; and

- Hosting platform requirements:
  - Noticing of City Regulations to Hosts,
  - Confirmation of Listing Registration with City,
  - Reporting and Record Keeping Measures.

Administrative enforcement procedures, including fines, for the proposed STR program would be conducted in accordance with SRMC [Chapter 1.44](#) and [Chapter 1.46](#).

## **D. STR Program Design**

In addition to the changes to the Municipal Code as part of the draft STR ordinance, any new STR program would establish new administrative requirements for implementation. This section outlines these potential program design elements.

### **1. Compliance Monitoring Software**

Currently, the City has contracted with Host Compliance to provide STR address identification and perform monitoring. At a higher level of services, Host Compliance offers compliance monitoring software. This software is a highly cost-effective tool for enforcement of any STR policy as it provides a wide range of services for significantly less than would be required for a jurisdiction to develop and administer the same services in-house. These services include:

- **STR Address Identification:** an online dashboard with address and rental information for all identifiable STRs
- **Compliance Monitoring:** outreach and monitoring of STR listings for compliance with a jurisdiction's zoning and regulations
- **Permitting and Registration:** online and mobile registration or permitting including collection of payments, signatures, and required documents
- **Rental Activity Monitoring and Tax Collection:** monitoring of STR listing rental activity and support for TOT collection
- **Complaint Hotline:** 24/7 staffed hotline for neighbors to report non-emergency STR problems

Host Compliance calculates contract costs based upon the average number of unique STRs over the twelve (12) month period prior to the date of contract execution. The City's current contract is \$2,829 until October 9, 2019 for STR address identification and monitoring. This amount reflects an annual rate of \$8,487 based upon an average of 240 STRs over a twelve (12) month period. An expanded Host Compliance contract to include all the expanded services listed above would cost \$23,949 annually for a two-year contract. If the City decided to enter into a three-year contract the contract amount would be reduced by ten (10) percent to \$21,554 annually.

### **2. Staffing**

Staff estimates first-year costs for administering the STR regulation program associated with the draft ordinance will be approximately \$40,000 including the above software costs. These costs include first-year program management, permit processing, and technology development. Additionally, these costs include staff time for conducting an STR workshop and for the City Attorney to develop a Voluntary Compliance Agreement (VCA) with STR platforms. Staff estimates annual on-going costs of approximately \$31,500 (**Table 1**). These costs would cover expanding STR Compliance Monitoring Services, as well as on-going staffing costs. Staff will be able to limit hours needed for administrative tasks by utilizing the Host Compliance software. The increase in hours associated with a new program is anticipated to be covered by existing staffing levels.

**Table 1. Estimated Annual Program Staffing and Costs**

	Est. Hour	One Time New	On-Going	
			Existing	New
<u>Host Compliance Services</u>				
Address Identification			\$8,487	
Mobile Registration				\$5,000
Compliance Monitoring				\$3,339
Rental Activity Monitoring				\$4,452
24/7 Dedicated Hotline				\$2,671
<i>Host Compliance Sub-total</i>			\$23,949	
<u>Implementation Staffing (One-Time)</u>				
Program Management	60	\$4,066		
City Attorney	10	\$1,148		
STR Workshop	8	\$542		
Technology development	20	\$1,355		
Permit Processing	20	\$1,151		
<u>Community Development Staffing (On-going)</u>				
Program Management	60			\$3,454
Code Enforcement	20			\$1,151
<u>Finance Staffing (On-going)</u>				
Business License & TOT Processing	20	\$1,205		\$1,205
Business License & TOT Review	20	\$1,793		\$1,793
<i>One-Time Staffing Subtotal</i>		\$8,262		
<i>On-Going Staffing Subtotal</i>			\$7,602	
<b>Total</b>		<b>\$8,262</b>	<b>\$31,551</b>	

**3. TOT Collection**

As part of the proposed draft ordinance, hosts will be required to collect and remit Transient Occupancy Taxes. The City charges a ten (10) percent TOT, as well as a two (2) percent Marin County Business Improvement District Tax Assessment (MCBIDCA) that is remitted to the County.

STR platforms like Airbnb and HomeAway/VRBO have the functionality to streamline TOT collection and remittance automatically. However, these platforms require the execution of a VCA. Under the VCA, the STR platform agrees to automatically collect the TOT directly from the customer using their platform and then remit a lump sum payment, either monthly or quarterly, for all rentals during that period. The lump sum payment would not provide transactional information and would only reflect gross receipts. The City would be allowed to perform periodic audits on these payments. Staff has had preliminary conversations with Airbnb on a potential VCA. An example of an Airbnb VCA is provided in Attachment C. If the City Council were to move forward with potential STR regulations, staff can pursue VCAs with other platforms.

Any host operating on a platform without an executed VCA with the City would be required to collect and remit TOT payments separately from the STR platform. The Host Compliance software does provide a module to assist with calculation and remittance of TOT. However, the host would still be required to collect the TOT separately. This non-VCA process would mirror the existing TOT collection and remittance.

#### **4. Registration**

To participate in the proposed Short-Term Rental program, STR hosts would be required to register through the Host Compliance software and receive a valid business license. To streamline this process, applicants would be able to apply for their business license as part of the registration. Applicants would be required to provide the following information annually:

- Property Information including address, type of listing, occupancy, and number of parking spaces
- Business License Registration
- Vegetation Management Plan (for properties within a Wildlife Urban Interface)
- 24-Hour Local Emergency Contact available to receive calls from the guest(s) at any time, day or night
- Instructions for trash disposal to be provided to renters
- Information on San Rafael Noise Ordinance requirements
- Payment of Fees and TOT

#### **5. Program Fees**

As noted above, staff estimates a complete cost-recovery registration fee of \$165 per listing, paid at the time of initial registration, for the proposed draft ordinance. Staff estimates a complete cost-recovery renewal fee of \$130 per listing, paid every year after initial registration. These fees are based upon the estimated total program costs associated with Compliance Monitoring Software and Staffing. Total program costs were then divided by the average 240 STR listings active in the last 12 months, which are used by Host Compliance to determine their contract costs. Staff would be allowed to adjust these fee amounts annually based upon changes to program costs due to changes in the number of active STR listings and staffing costs.

### **E. Potential Policy Elements**

As described above, the proposed draft ordinance is based on the related ordinance adopted in Mill Valley, which only requires registration, fee payment, and TOT remittance. The City Council may decide additional policy elements are necessary, in addition to those described in the Mill Valley ordinance. Staff has identified the following policy elements utilized by other jurisdictions in which there is not clear direction existing in the Municipal Code. These potential policy elements have not been included in the program costs and fiscal impacts described in this report. Staff has categorized these policies into three levels of enforcement effort—low, medium, and high—required to successfully implement these additional regulations.

#### **1. Low Enforcement Effort**

Staff considers the following regulations to require low enforcement efforts to be implemented. These regulations can be verified automatically upon registration and reviewed without an onsite visit in the case of a complaint. Implementation of these regulations would have a minimal impact on the fiscal and staffing projections included in this report, increasing program costs by ten percent (10%) to twenty-five (25%) percent per policy.

- a. *Owner Occupancy*: Some jurisdictions only allow STRs on properties considered the primary residence of the host. To show primary residence, host are required to document at least two of the following as part of the registration process:



- Motor vehicle registration;
  - Driver's license;
  - Voter registration;
  - Tax documents showing the property as the Permanent Resident's residence for the purposes of a home owner's tax exemption; or
  - A utility bill.
- b. *Posting of Emergency Information:* In the case of an emergency, jurisdictions often require the posting of emergency information in an easily accessible location for renters. Documentation of the posting is required during the registration process. This emergency information can include:
- Local Contact Person;
  - On-Street Parking Requirements;
  - Garbage Disposal;
  - Fire Access Roads;
  - Wildfire Evacuation.
- c. *Ineligible Uses: Properties with existing rental or residential restrictions* - In most jurisdictions, properties with existing rental or residential restrictions are prohibited from registering as an STR. These properties include: Student Housing, Dorms, SROs, Commercial or industrial spaces. In most cases, there are already existing deed or zoning restrictions on these properties.

## **2. Medium Enforcement Effort**

Staff considers the following regulations to require medium enforcement efforts to be implemented. These are regulations that can be enforced automatically but may require a site visit to verify, or that cannot be enforced automatically through Host Compliance or by electronic verification through existing tools. Implementation of these regulations would increase the fiscal and staffing projections included in this report but would not require the hiring of additional staff, thus increasing program costs by twenty-five percent (25%) to fifty (50%) percent per policy.

- a. *Self-Certification Inspection:* Some jurisdictions require a basic life and safety inspection to be conducted as part of their registration process and verified complete prior to approval. Hosts can conduct a self-certification inspection documenting their compliance with the program regulations, including:
- Bedroom and Property Egress;
  - Rules and local contact information posted inside the rental;
  - Smoke and Carbon Monoxide Detectors.
- b. *Occupancy Limits:* Some jurisdictions set occupancy limits on STRs to prevent overcrowding of rental units. Most commonly total persons allowed at listings are limited to two (2) individuals per bedroom as defined by California Building Code—two (2) points of Egress, height requirements, CO2 and Smoke detector--plus an additional two (2) overnight guests. For example, a property with two (2) bedrooms would be allowed to host a maximum of six (6) guests.
- c. *Ineligible Uses: Non-Permanent Structures-* In some jurisdictions, properties that are considered non-permanent structures are prohibited from registering as an STR. These properties include:
- Recreation Vehicles (RVs) and Boats/House Boats
  - Outdoor Areas (i.e. Teepees, Yurts, Tents, and Treehouses)
  - Sleeping Quarters in Vans or Cars.

Enforcement of these ineligible uses is of medium difficulty due to the wide range in quality and conditions in these structures.

### **3. High Enforcement Effort**

Staff considers the following regulations to require high enforcement efforts to be implemented. These regulations cannot be enforced automatically and would require significant staff time to verify and enforce. Implementation of these regulations would significantly increase the fiscal and staffing projections included in this report and would likely require the hiring of additional staff, increasing program costs by over fifty (50%) percent per policy.

- a. *Ineligible Uses: ADUs and JDUs:* In 2017, new state legislation allows projects to receive a planning permit through a ministerial review process, including reduced fees and parking requirements for some properties. As part of receiving a streamlined ministerial review process, property owners are required to maintain owner-occupancy of either the main house or accessory unit. Unpermitted accessory and junior dwelling units being used for STRs would be able to utilize this new process to come into compliance.

Some jurisdictions have created potential restrictions on ADUs and JDUs for use as STRs to preserve these units for long-term housing. Restrictions vary significantly between jurisdictions. Some jurisdictions have completely prohibited ADUs and JDUs from registering as STRs. Other jurisdictions permit ADU or JDUs to be rented only on owner-occupied properties if the main house is not also registered as an STR.

A complete prohibition of the use of ADUs and JDUs as STRs would be highly difficult to enforce due to the effort required to confirm the designated use of an additional onsite unit. For properties which are not clearly an ADU or JDU, staff would likely be required to perform an onsite inspection to determine the appropriate residential use and program eligibility of the property.

- b. *Annual Cap on Nights Rented:* Some jurisdictions limit the number of days an STR can be rented in a given year. Currently, the existing compliance monitoring software is not able to track individual transactions, making it extremely difficult to verify any host-report activity. Additionally, it is not clear that annual caps are effective at limiting STR use as many hosts report renting their properties for less than the annual cap.
- c. *Additional Parking Standards (including shared driveways):* Some jurisdictions require additional onsite parking for STR properties. The purpose of the additional parking is to address concerns about the potential increase in parking required with guests driving multiple vehicles. After reviewing STR program parking requirements in several communities and San Rafael's existing City Parking Standards ([SRMC Chapter 14.18](#)), existing residential structures are already required to provide off-street parking in-line with STR program parking requirements. Additional off-site parking would not be required to meet the estimated parking need created by STR use.

Another potential parking requirement may include prohibiting or restricting STR use on properties with a shared driveway. Enforcement of these requirements would be difficult due to varying sizes and designs of shared driveways. Due to this variation, defining and enforcing shared driveway restrictions would likely be subjective.

#### **4. Staff Recommendations**

- Should the City Council decide to move forward with STR regulations and include additional policy elements, staff supports the inclusion of the following policies:
  - All policies requiring a low enforcement effort
  - All policies requiring a medium enforcement effort.
- Should the City Council decide to move forward with restrictions on ADUs and JDUs, staff supports allowing ADUs and JDUs to be used for STRs only if the property is owner-occupied by the host and the main house is not also registered as an STR. Including both requirements would align the STR restrictions placed on ADUs and JDUs with existing owner-occupancy restrictions for ADU and JDU planning permits.
- Staff does not support the inclusion of an annual cap on nights rented or additional parking/ shared driveway standards.
- Staff seeks direction on whether to include in the definition of *Ineligible Use: Non-Permanent Structures* travel trailers without a motor or engine—such as “[camp trailers](#)” or “[fifth-wheel trailers](#)”. Should the City Council decide that travel trailers not be included in this definition, Staff seeks direction on whether additional regulations should be included for travel trailers, such as:
  - Requiring separate and legal water, power, and sewage connections
  - Prohibiting generator use
  - Mandatory safety inspections and additional fee
  - Off-driveway parking platform
  - Additional off-street parking
  - Limited Street Visibility

#### **COMMUNITY OUTREACH:**

In response to City Council direction to conduct additional community feedback on potential STR regulations, staff developed a community engagement strategy comprised of conducting a community survey, meetings with stakeholder groups, and community meetings. Additionally, staff has maintained a [City webpage specific to updates and resources on the City's STR efforts](#).

This section discusses community outreach conducted as part of stakeholder and community meetings. Information regarding the community survey can be found in the **Community Survey** section of this report.

##### **1. Stakeholder Meetings**

From February 19 to June 1, staff conducted three stakeholder meetings:

- March 20, 2019: Federation of Neighborhoods Meeting- Staff presented a summary of the STR-related activity to date including a summary of actions from the February 19<sup>th</sup>, 2019 City Council Meeting. Attendees expressed no major concerns around STR regulation. Staff was asked to consider potential limitations on parking and regulations ensuring community safety as part of any potential STR policy.
- April 4, 2019: Airbnb Host Meeting- Staff met with approximately 25 San Rafael short-term rental hosts using the Airbnb platform. Staff presented a summary of the STR-related activity to date

including a summary of actions from the February 19<sup>th</sup>, 2019 City Council Meeting. Attendees expressed the following opinions surrounding potential STR regulation:

- Many of those renting STRs are families, people travelling for work, or visiting family nearby;
  - Many hosts rent while out of town (i.e. professors);
  - Income from STRs is needed to provide some financial security;
  - Hosts indicated they rent out rooms through Airbnb in their homes that would otherwise be vacant;
  - Hosts preferred to operate short-term rentals versus long-term rentals due to the added complexity and time-commitment of long-term rentals, including conducting repairs and maintenance;
  - Short-term rentals are often self-regulating through reviews.
  - Charging TOT and a program fee will likely push several hosts from renting due to the need to reduce nightly rates to remain competitive.
- June 18 San Rafael Chamber of Commerce- Staff met with the San Rafael Chamber of Commerce Government Affairs Committee and presented the same presentation, reviewing the results of the community survey used during the Community Meetings. Attendees expressed concern around the necessity of STR regulation given the relatively low number of STR related complaints.

**2. Community Meetings**

Staff held two community meetings to review the results of the community survey and to get feedback. Staff presented the findings of the community survey (Attachment D) and presented a “Straw-man” proposal. A “Straw-man” Proposal is a simple draft proposal intended to generate discussion of its disadvantages and to provoke the generation of new and better proposals. The two meetings were held on the following dates and locations:

- May 29, 2019- Loch Lomond Yacht Club (approximately 25 attendees)
- May 30, 2019- San Rafael Community Center (approximately 15 attendees)

Attendees of these community meetings expressed the following range of concerns surrounding STR regulation:

<b>Recommendations</b>	<b>Concerns</b>
<ul style="list-style-type: none"> <li>● Sunset clause for Ordinance</li> <li>● Specific regulations for properties in a Wildlife Urban Interface (WUI)</li> <li>● Limit Number of Days an STR can be rented</li> </ul>	<ul style="list-style-type: none"> <li>● ADUs and JDUs are affordable by design and should not be allowed to be used as a STR</li> <li>● Insufficient parking on properties with shared driveways</li> <li>● How to handle “Other” properties (i.e. Boats, Tents, RVs)?</li> <li>● Abuse of 24-Hour Complaint Hotline</li> <li>● Property owners park on the street rather than in the driveway to provide extra parking</li> <li>● Impacts on Hotels and Motels</li> </ul>

Relationship to CC&Rs

During both community meetings, several attendees asked about the relationship between the STR regulations and conditions, covenants, and restrictions (CC&Rs) in subdivisions that explicitly restrict short-term rentals. The draft ordinance would follow existing City policy regarding CC&Rs. Per [SRMC 15.06.160- Conditions, Covenants, and Restrictions](#), CC&Rs recorded for a subdivision are not enforced by the city of San Rafael. While the city shall have the authority and role to review and approve such documents, enforcement shall lie with the subdivision homeowner’s association or the property owners within the subdivision.

**FISCAL IMPACT:**

There is no fiscal impact associated with this informational report. However, this section outlines the estimated costs associated with the proposed draft STR ordinance. If the City Council decides to move forward with a new STR policy and includes additional policy elements as described in the **Potential Policy Elements** section, further staffing analysis will be needed to refine these estimated program costs.

**Table 2. Estimated Annual STR Program Balance**

Projection	Revenue			Expenditures		Annual Balance	
	Year 1- Fees	Ongoing- Fees	TOT	Year 1	Ongoing	Year 1	Ongoing
Low-End	\$39,814	\$31,551	\$18,051	\$39,814	\$31,551	\$18,051	\$18,051
Mean	\$39,814	\$31,551	\$39,738	\$39,814	\$31,551	\$39,738	\$39,738
High-End	\$39,814	\$31,551	\$105,183	\$39,814	\$31,551	\$105,183	\$105,183

\* Program fees are calculated as cost-recovering for program expenses. If fees are collected, Year 1 and Ongoing program balances would be the same as they reflect the TOT Revenue collected that year.

As described in the **STR Program Design** section, staff estimates program costs of approximately \$40,000 in the first year of the program, and approximately \$31,500 on-going annually. Staff estimates a complete cost-recovery renewal fee of \$130 per listing, paid every year after initial registration. These fees are based upon the estimated total program costs associated with Compliance Monitoring Software and Staffing. Total program costs were then divided by the average 240 STR listings active in the last 12 months, which are used by Host Compliance to determine their contract costs. Staff would be allowed to adjust these fee amounts annually based upon changes to program costs due to changes in the number of active STR listings and staffing costs.

The addition of STR policy options described in the **STR Program Design** section will increase these estimated program costs. Low enforcement policies are expected to increase program costs between ten percent (10%) to twenty-five percent (25%) per policy. Medium enforcement policies are expected to increase program costs between twenty-five percent (25%) to fifty percent (50%) per policy. High enforcement policies are expected to increase program costs by over fifty (50%) per policy.

Staff analyzed annual balances for all options given the low, mean, and high estimate for TOT revenue collection as presented in the February 19<sup>th</sup> Staff Report (**Table 2**). Staff estimates that the City could collect between approximately \$18,000 and 105,000 in TOT in a given year. On average, TOT collection could be approximately \$39,000 annually. When combined with cost-recovering fees, the estimated program balance would be the same as the TOT collected, ranging between net positive balance of \$18,000 and \$105,000 with an average of \$39,000 annually.

**OPTIONS:**

The City Council has the following options to consider on the matter:

- Accept the report and direct staff to return with program design and corresponding draft ordinance.
- Direct staff to return with more information.
- Accept the Report with no follow-up action.
- Do not accept the report.

**RECOMMENDED ACTION:**

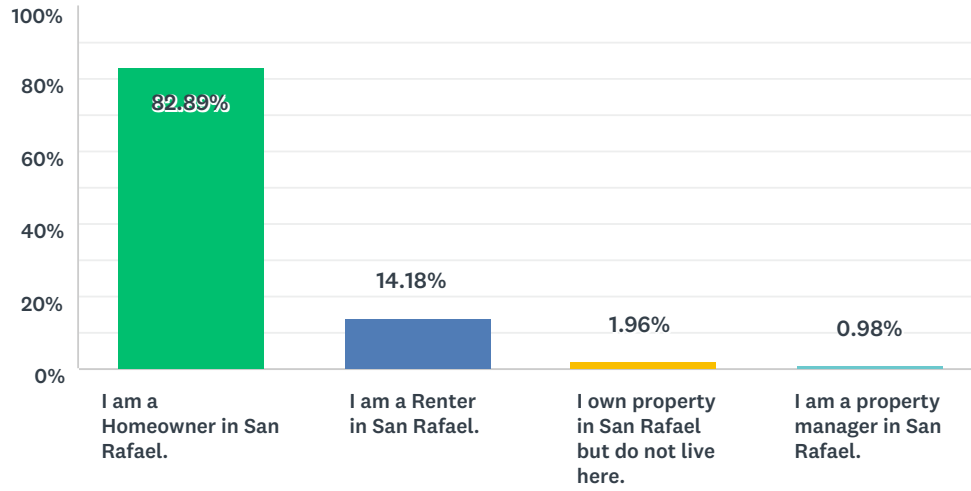
Accept staff report and provide direction to staff on next steps for potential STR regulations.

**ATTACHMENTS:**

- A. Short-Term Rental Community Survey Results
- B. Draft Short-Term Rental Ordinance
- C. Example Airbnb Voluntary Compliance Agreement
- D. May 29 & May 30 Community Meeting Presentation: STR Community Survey Findings

## Q1 Which option best describes you?

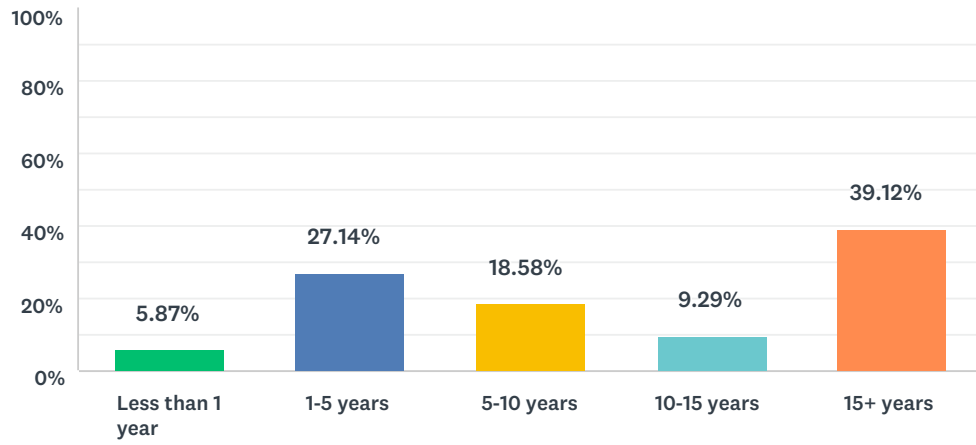
Answered: 409 Skipped: 0



ANSWER CHOICES	RESPONSES	
I am a Homeowner in San Rafael.	82.89%	339
I am a Renter in San Rafael.	14.18%	58
I own property in San Rafael but do not live here.	1.96%	8
I am a property manager in San Rafael.	0.98%	4
TOTAL		409

## Q2 How long have you lived in your current home?

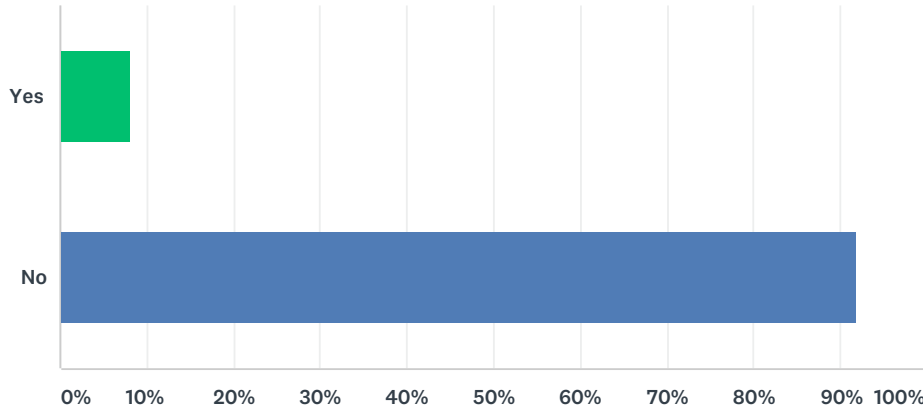
Answered: 409 Skipped: 0





### Q3 Do you own multiple properties in San Rafael?

Answered: 409 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	8.07%	33
No	91.93%	376
TOTAL		409

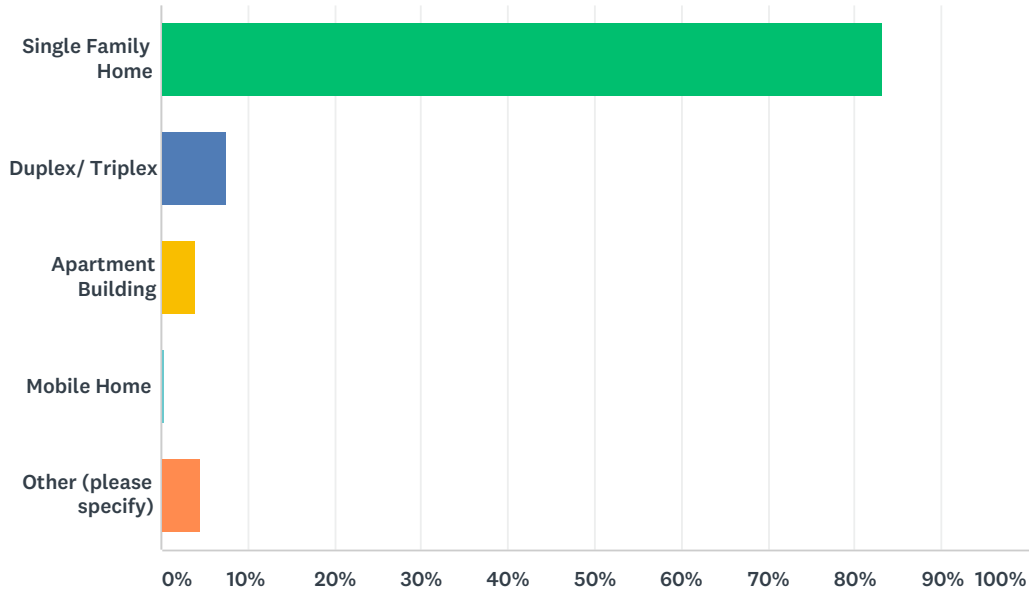
## Q4 If yes, how many properties do you own in San Rafael?

Answered: 33 Skipped: 376

#	RESPONSES	DATE
1	2	4/20/2019 6:35 PM
2	4	4/20/2019 12:13 PM
3	2	4/19/2019 1:47 PM
4	2	4/18/2019 7:15 PM
5	0	4/9/2019 2:08 PM
6	2	4/7/2019 10:34 PM
7	2	4/6/2019 8:49 AM
8	2	4/4/2019 1:30 PM
9	2	4/3/2019 7:34 AM
10	2	4/1/2019 6:08 PM
11	2	4/1/2019 4:50 PM
12	3	4/1/2019 4:15 PM
13	2	4/1/2019 3:31 PM
14	3	4/1/2019 12:00 PM
15	2	3/31/2019 9:51 PM
16	2	3/28/2019 5:14 PM
17	2	3/28/2019 12:33 PM
18	2	3/24/2019 9:03 PM
19	2	3/23/2019 9:15 AM
20	3	3/23/2019 6:22 AM
21	2	3/21/2019 8:42 PM
22	2	3/21/2019 7:36 PM
23	2	3/21/2019 3:05 PM
24	3	3/21/2019 2:49 PM
25	2	3/21/2019 1:45 PM
26	2	3/21/2019 1:22 PM
27	2	3/21/2019 12:48 PM
28	2	3/21/2019 12:47 PM
29	1	3/21/2019 12:12 PM
30	2	3/21/2019 12:05 PM
31	2	3/21/2019 12:01 PM
32	3	3/21/2019 12:01 PM
33	2	3/20/2019 6:15 PM

## Q5 What type of property do you live in?

Answered: 408 Skipped: 1



ANSWER CHOICES	RESPONSES	
Single Family Home	83.33%	340
Duplex/ Triplex	7.60%	31
Apartment Building	3.92%	16
Mobile Home	0.49%	2
Other (please specify)	4.66%	19
<b>TOTAL</b>		<b>408</b>

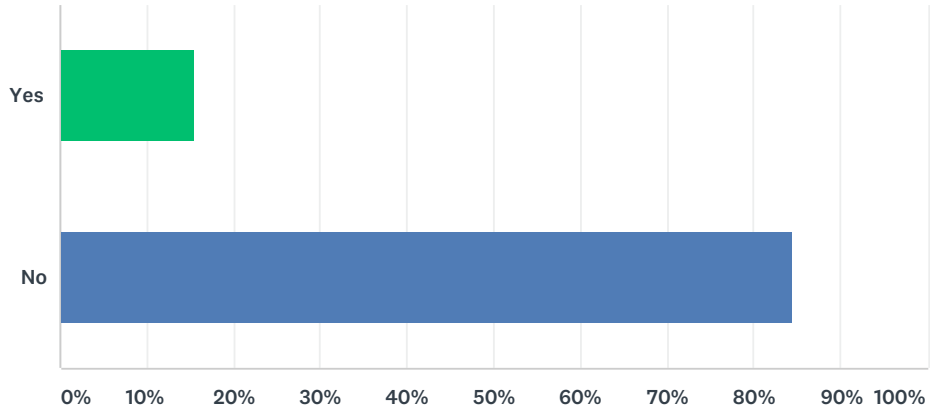
#	OTHER (PLEASE SPECIFY)	DATE
1	condo	4/16/2019 9:13 PM
2	condo	4/14/2019 2:22 PM
3	Planned Unit Community	4/8/2019 9:08 AM
4	Single apartment in commercial building	4/1/2019 6:09 PM
5	Condo	3/31/2019 9:13 PM
6	Townhouse	3/28/2019 12:21 PM
7	in law	3/28/2019 12:14 PM
8	Townhouse	3/23/2019 6:22 AM
9	Townhousem	3/21/2019 8:32 PM
10	Townhouse	3/21/2019 7:53 PM
11	Condo	3/21/2019 6:26 PM
12	townhouse	3/21/2019 4:29 PM
13	Condo	3/21/2019 2:50 PM

## Short Term Rental Community Survey

14	Condominium	3/21/2019 2:24 PM
15	Condo	3/21/2019 1:27 PM
16	Townhouse	3/21/2019 12:31 PM
17	Condominium	3/21/2019 11:59 AM
18	Townhouse	3/21/2019 11:56 AM
19	Office	3/20/2019 6:15 PM

### Q6 Do you have an Accessory Dwelling Unit or Junior Dwelling Unit on your property?

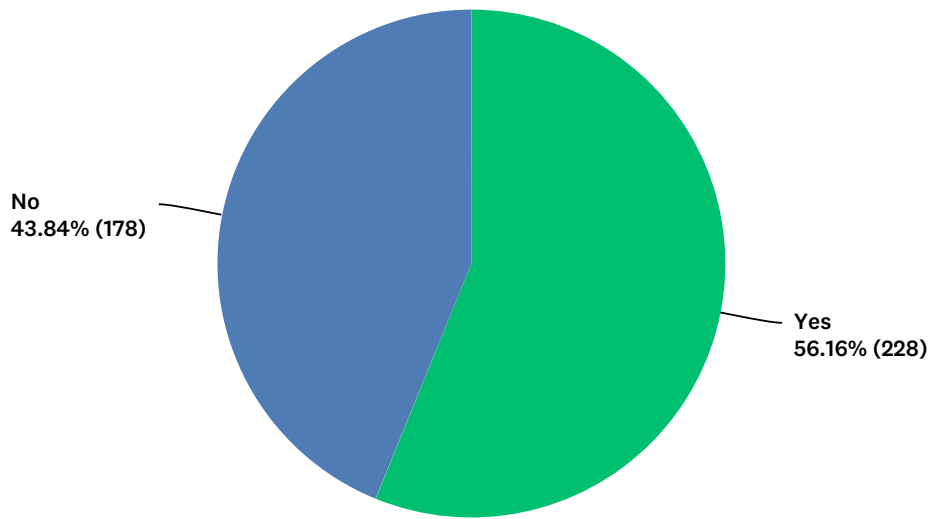
Answered: 408 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	15.44%	63
No	84.56%	345
TOTAL		408

### Q7 Are you aware of any Short-Term Rentals in your neighborhood?

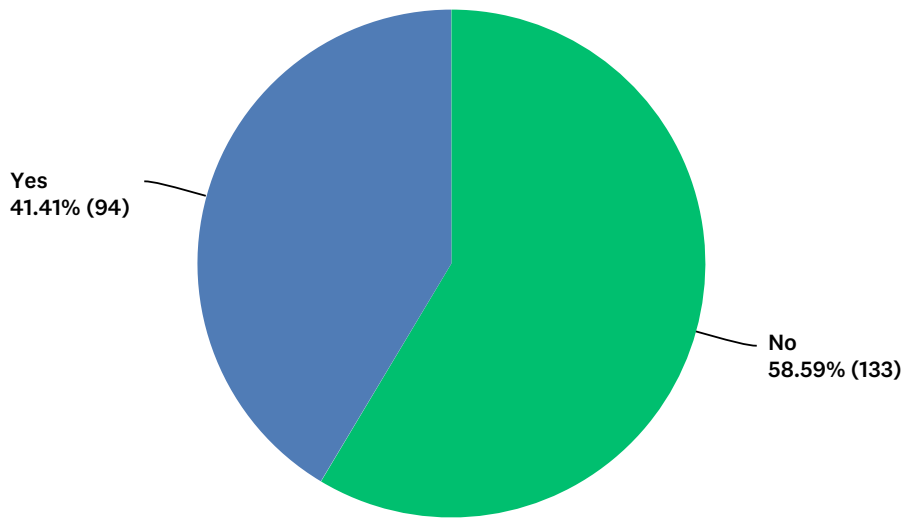
Answered: 406 Skipped: 3



ANSWER CHOICES	RESPONSES	
Yes	56.16%	228
No	43.84%	178
TOTAL		406

### Q8 If yes, have the Short-Term Rentals caused any problems?

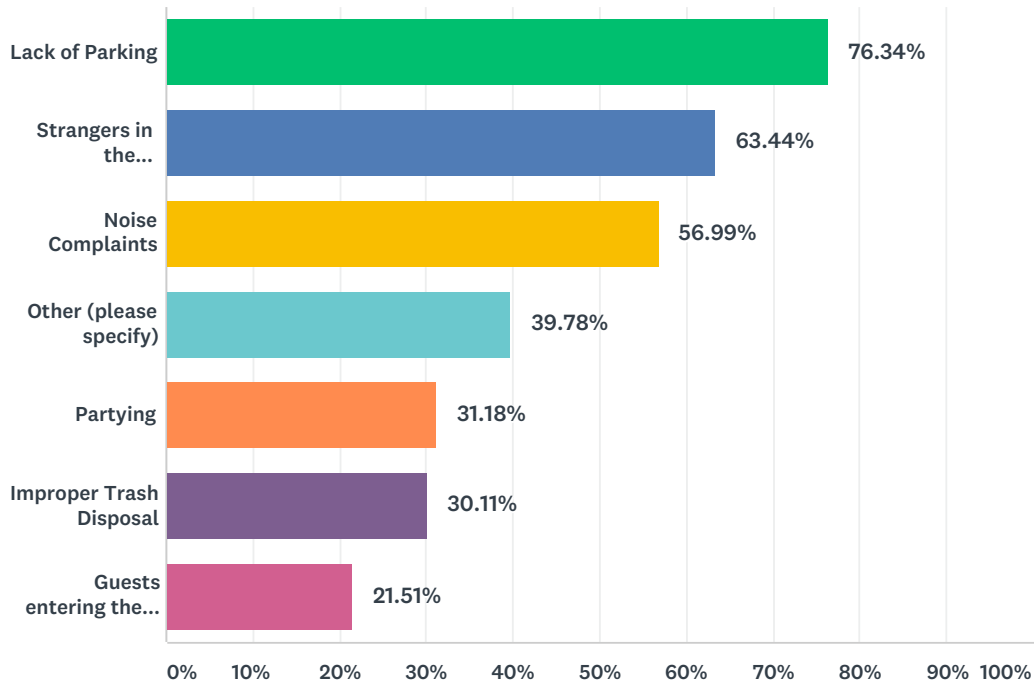
Answered: 227 Skipped: 182



ANSWER CHOICES	RESPONSES	
No	58.59%	133
Yes	41.41%	94
TOTAL		227

### Q9 If yes, please choose the option(s) below that best describes the problem.

Answered: 93 Skipped: 316



ANSWER CHOICES	RESPONSES	
Lack of Parking	76.34%	71
Strangers in the neighborhood	63.44%	59
Noise Complaints	56.99%	53
Other (please specify)	39.78%	37
Partying	31.18%	29
Improper Trash Disposal	30.11%	28
Guests entering the wrong property	21.51%	20
Total Respondents: 93		

#	OTHER (PLEASE SPECIFY)	DATE
1	coming and going at all hours; dogs barking	4/21/2019 8:36 PM
2	Sharing a driveway with a private home causing traffic and extensive noise	4/20/2019 12:15 PM
3	Potential environmental health hazards	4/17/2019 12:43 PM
4	Indelible change in the environment as a stable, residential setting and community that has continuity with individuals who become neighbors invested in the neighborhood and larger Dan Rafael community	4/16/2019 9:47 PM
5	My neighbors have a shared driveway and the constant traffic is an issue.	4/16/2019 9:16 PM
6	next door neighbor has AB&B and guests continually go up wrong driveway or enter their driveway incorrectly and get stuck blocking road until tow truck arrives.	4/11/2019 10:08 AM



## Short Term Rental Community Survey

7	Cars getting stuck in ditch. Blocking road for hours. They are guests staying at my neighbors AB&B. They turned into driveway incorrectly. This has happened multiple times at same address.	4/9/2019 3:29 PM
8	Speeding on our street, lack of safety and lack of care for the animals	4/5/2019 4:39 PM
9	We reside in a culdesac and the amount of traffic generated by non-long term residents or homeowners is very dangerous due to speeding and lack of courtesy toward the permanent residents.	4/5/2019 3:43 PM
10	Safety and liability concerns	4/3/2019 11:41 PM
11	The short term resident does not know the rules of the apartment complex and nearly all of them will smoke ( a lot) inside the apartment. We've been getting lots of fire victims and Europeans who do not have or not aware of NO smoking rules in the unit they are staying in. My other long-term neighbors ( in my apartment complex) and I have the same complaints. Also, these Airbnb or corporate housing units residents do not dispose of their trash and recycling properly. Now this could be the non-speaking maid service disposing of the trash incorrectly (and messily too).	4/2/2019 4:48 PM
12	Short term rentals impeding upon normal monthly units available for locals of Marin	4/1/2019 11:09 AM
13	endangering pets	4/1/2019 10:47 AM
14	Renter on balboa was subletting on Airbnb for \$400. Without owner knowledge	3/31/2019 5:42 PM
15	My rent for a 2 bedroom home doubled in 4 years	3/31/2019 3:04 PM
16	neighbor relations	3/30/2019 11:37 AM
17	Taking two parking spaces from permanent residences	3/28/2019 10:13 PM
18	Someone hit and killed a deer. It was an airbnb visitor. They did not know we have deer in our neighborhood. They were driving too fast too.	3/28/2019 12:22 PM
19	Parking so close to the center double line that cars have difficulty driving on the main road through our neighborhood.	3/24/2019 9:06 PM
20	I have seen guests with just shorts on and drunk taking out the trash to the street; we also have guests coming out and smoking and leaving cigarette butts.	3/24/2019 3:50 PM
21	I haven't experienced it, by the households that are adjacent to the short term rental have voiced concerns.	3/24/2019 3:28 PM
22	Parking improperly—not heeding the six feet of clearance from the center line on an already narrow street.	3/24/2019 1:37 PM
23	outdoor shower - semi-public nudity - (my neighbor's kids can see them shower)	3/24/2019 11:00 AM
24	Share a common driveway so cars coming and going	3/23/2019 6:53 PM
25	Short Term Guests not respecting privacy or neighbors' property	3/22/2019 9:24 AM
26	Rents are driven up by Airbnb	3/22/2019 7:35 AM
27	Unfair treatment of legal in law units.	3/22/2019 6:45 AM
28	Security problems. Loitering	3/21/2019 7:55 PM
29	Airbnb in question — 12 Lido Lane — is a blight on our neighborhood. A constant stream of 15 - 25 guests every night in the summer, less over the winter. Rowdy ,clueless, thoughtless people who don't give damn a bout neighbors.	3/21/2019 6:33 PM
30	Ignorance of complex rules	3/21/2019 2:26 PM
31	I bought a single family home and I don't want to live nextdoor to a hotel!	3/21/2019 12:37 PM
32	Illegal building to make more rooms for Airbnb rental	3/21/2019 12:23 PM
33	I'm only aware of Sober living houses in my neighborhood	3/21/2019 12:14 PM
34	Drug dealer whose various helpers move in and out and re-park his 8 cars so everybody thinks a lot of people live there. Owner always rents to drug dealers or addicts. City does not have resources to monitor & they make various drugs there.	3/21/2019 12:12 PM
35	Blocking driveway with excessive cars	3/21/2019 12:06 PM
36	drinking and driving on a narrow road	3/21/2019 12:00 PM

## Short Term Rental Community Survey

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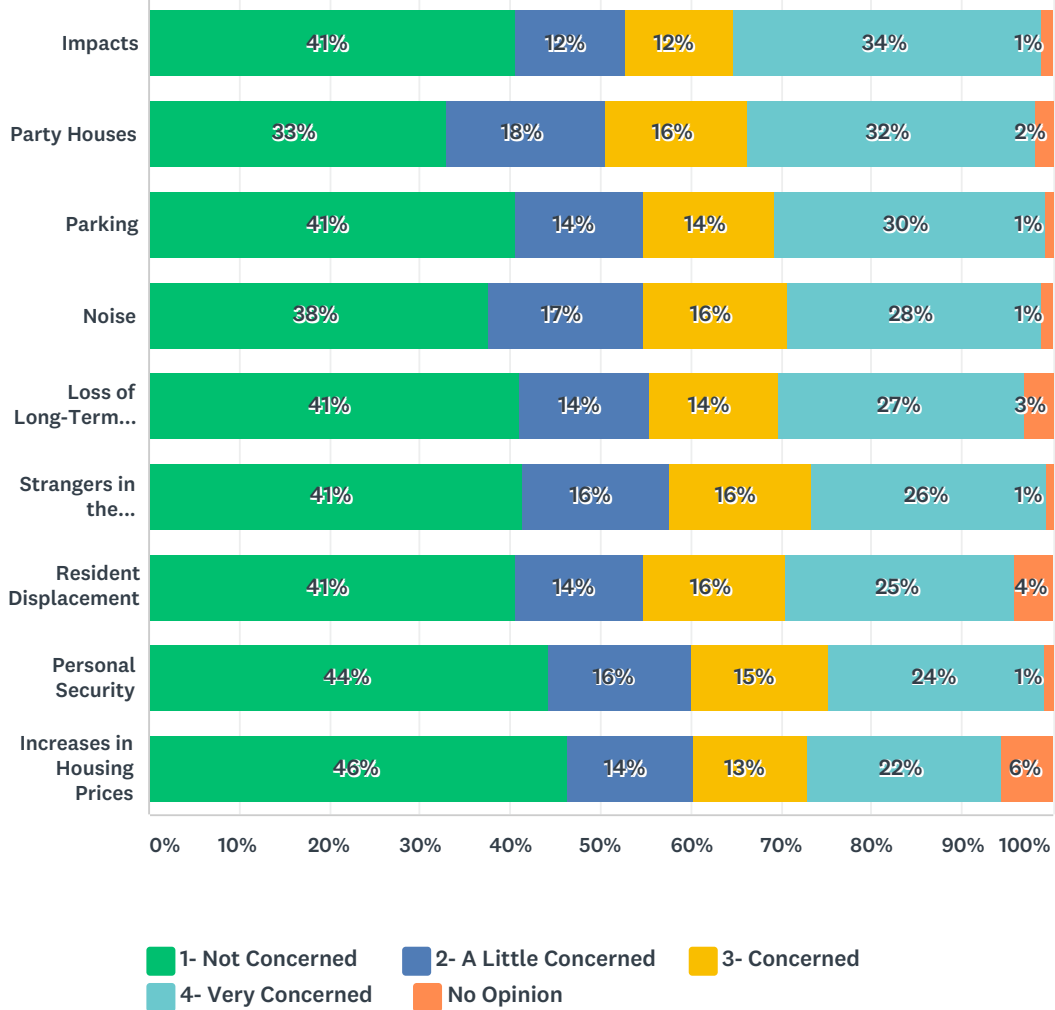
37 We share a driveway with our neighbors who have 2 STR . We have liability concerns ,loss of privacy, security problems. They have 2 guests every night thus acting as a motel in a residential neighborhood.

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3/20/2019 8:54 PM

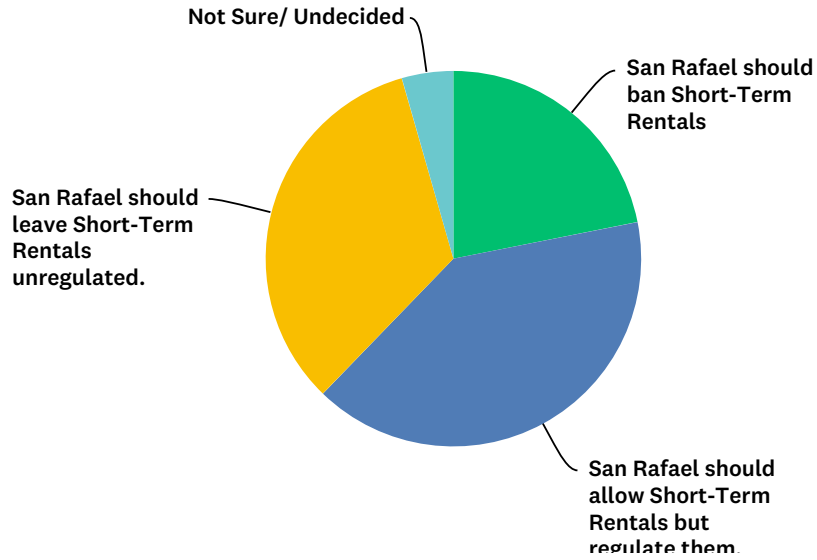
# Q10 How concerned are you about the following challenges related to Short-Term Rentals?

Answered: 397 Skipped: 12



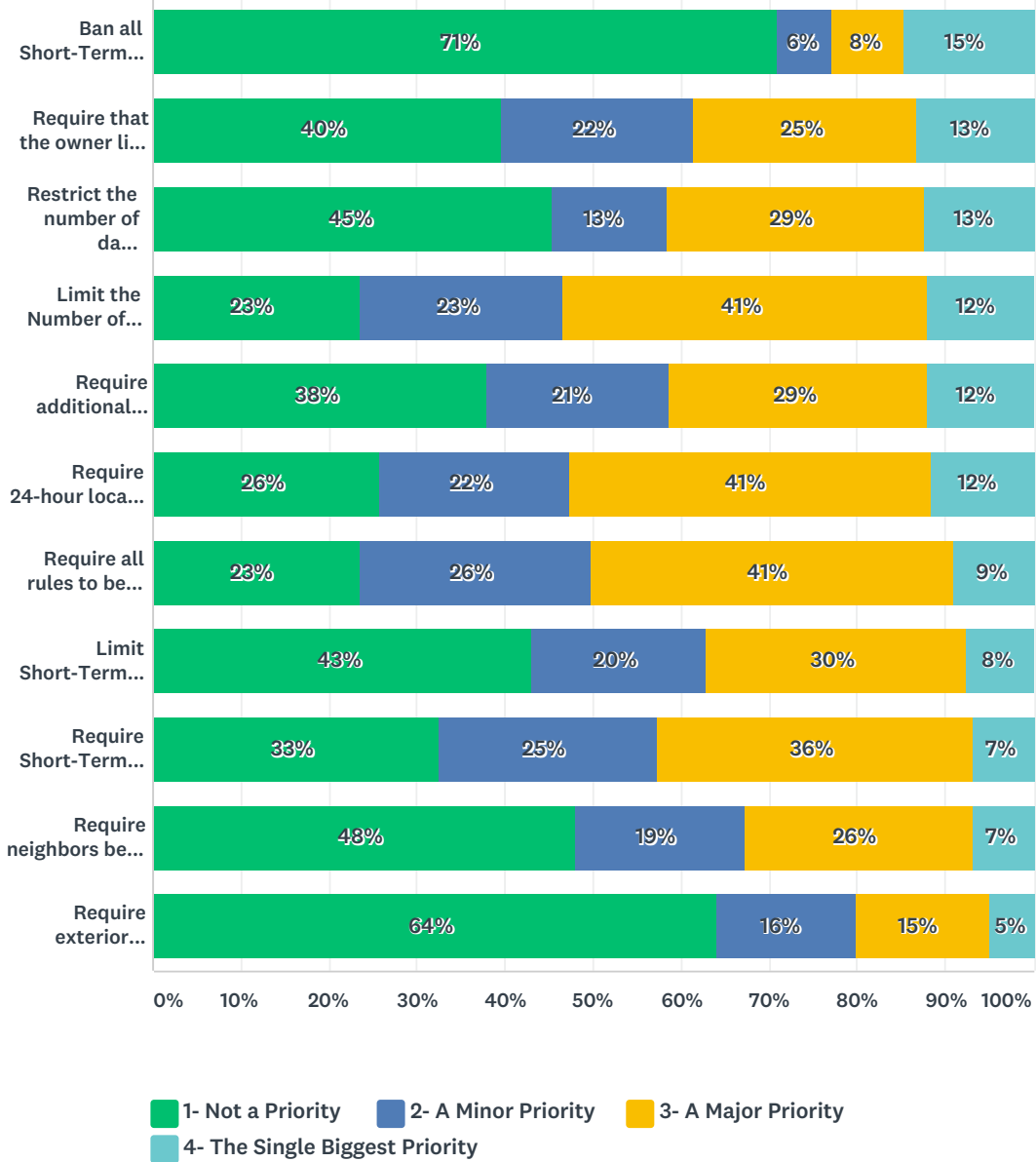
# Q11 What option best describes your opinion on Short-Term Rentals in San Rafael?

Answered: 384 Skipped: 25



## Q12 How would you prioritize the following Short-Term Rental regulations?

Answered: 384 Skipped: 25



Short Term Rental Community Survey

Q13 Is there anything else you would like to add?

Answered: 190 Skipped: 219

#	RESPONSES	DATE
1	Strangers coming and going with our neighborhood children is of utmost concern. During the summer the owners are not home and have a person who comes just to check people in and then leaves	4/21/2019 8:41 PM
2	there is NO on street parking on some of the portions of our streets. Additional cars makes for impossible driving conditions.	4/21/2019 12:21 PM
3	Short-Term rentals are good for San Rafael because they promote San Rafael and its businesses. Short-term rentals should pay a registration fee, an occupancy tax, self-report on safety features, and get a credit for green technologies.	4/19/2019 4:33 PM
4	nope	4/18/2019 7:21 PM
5	For people who are retired and living on Social security this is an excellent way to make ends meet .	4/18/2019 5:56 PM
6	We need to rent our spare room out to help us with our mortgage now that we are near retirement.	4/18/2019 5:03 PM
7	I think short-term rentals are great if the owner lives in the property and wants to rent an extra room for less than 30 days at a time. It's best for condos or an extra bedroom in a house.	4/18/2019 3:50 PM
8	you dont address short term rental of a room in the house while resident is living there. these short term rental regulations should be apply to essentially having a short term house mate	4/18/2019 3:40 PM
9	This really helps seniors keep their property.	4/18/2019 3:19 PM
10	Our unofficial neighborhood watch has worked for many but an influx of strangers gives thieves a license to steal. If we don't know who 'belongs', we can't protect ourselves any longer. The owner needs to be in residence WHILE he has tenants because posting the rules is useless if he is not there to enforce them. I have heard of residents who move to another residence during rentals, leaving the neighbors to suffer if the tenants are unruly. Our street is narrow and parking is limited so, allowing additional parking without creating onsite parking, inconveniences residents.	4/18/2019 1:57 PM
11	We are entitled to have freedom of choices!Restrictions will make big impact on financial situation of homeowners who pay huge mortgages in area!	4/18/2019 1:50 PM
12	I am a new host, I have been enjoying having guests and giving back to the economy as for the local restaurants and shops and it has been pleasant , my neighbors know about it and they have no problem with this, there is no parking issues since there's plenty of street parking, most of my guests are very respectful because they have been screened before they come to my house through Airbnb, as we also have house rules and mentioned on the site regarding our quiet neighborhood. Also it has helped me to pay portion of my monthly mortgage in addition I have the flexibility to have my space open for my own family when they visit.	4/18/2019 1:44 PM
13	This survey is very biased, very focused on the negative aspects of STH, and not the positive, like the additional taxes we pay, tourism \$ for Marin, additional income for homeowners, the security of having someone occupy a house when the owners are on vacation, social benefit of renting out one's place, the nudge to improve house upkeep, work for housekeepers, etc. Our housekeeper would lose income if this was banned.	4/18/2019 1:00 PM
14	People should be allowed to use their homes as they see fit. Perhaps that is income or the help they need to be able to stay in their homes as costs continue to rise for housing here in Marin	4/18/2019 12:44 PM
15	Short term Rentals should not have any restrictions.	4/18/2019 12:22 PM
16	I think short term rentals allow some homeowners to stay in their properties. Especially single woman. We don't need more laws or regulations Please leave them alone!	4/18/2019 12:05 PM
17	I welcome travelers to San Rafael, short term rentals make our community more diverse and allows for local tourism.	4/18/2019 11:55 AM

## Short Term Rental Community Survey

18	This is a non-issue. San Rafael should be focused on more important issues such as homeless in downtown and a traffic solution for 2nd and 3rd street when smart train crosses them. Short term rentals should be allowed to continue as they always have.	4/18/2019 11:46 AM
19	We have personally enjoyed staying in AirBNB style short term rentals around the world, and don't wish to see them ruled out in our area.	4/17/2019 9:10 PM
20	Not at this time.	4/17/2019 12:47 PM
21	hours of coming/going has been a problem in my neighborhood because these short-term renters are on vacation and we all live here.	4/16/2019 8:09 PM
22	No additional units/storage or occupied be added to the existing property	4/16/2019 12:20 PM
23	My condo complex out of state has been totally changed by allowing short-term rentals. Some have noisy parties, pay no attention to rules and regs, no respect for others, etc. We have installed motion cameras throughout the complex, at a great expense, to record violations and are fining the owners.	4/14/2019 2:32 PM
24	I live at end of cul de sac. Huge fire trap. Vacation renters lack of knowledge and concern for fire . Too many illegally parked autos would not allow a fire truck to turn around. They have an outside grill near dry dense forest and many houses. One spark from grill could ignite terrible fire.	4/13/2019 1:48 PM
25	Shared driveway is a concern for lack of parking issues in neighborhood. If the owner of AB&B unit has to share their driveway with another house they should not be allowed to have an AB&B.	4/11/2019 10:10 AM
26	Seriously...freeway noise, sirens all day, homeless people living in their vans and cars under freeway and in our neighborhoods, being destructive, drug and alcohol addicts on the streets 24/7 using, having sex, making lude acts, prostitution, stealing constant break-ins with cars, living in the post office...these are priorities!!! Not short term rentals in a town that used to be beautiful and is no longer even safe. Don't make it more expensive for homeowners to utilize their rights and be able to afford to live here. San Rafael has become a dumping ground of horrible people and things, gone so far downhill in the 5 decades I've lived here that priorities are completely screwed up to have a survey to even think about charging a homeowner more money. And how sad and screwed up that our town is now about to approve a transient hotel to add more traffic and insult to injury. I am ashamed of what San Rafael has become...not to mention scared to walk in our own neighborhoods in what was once a perfectly safe and beautiful area.	4/10/2019 11:47 PM
27	I feel that each property should be looked at individually, to determine if short-term rentals might have any negative effect on the quality of life for their neighbors. Maybe something like the planning commission, but made up of primarily of members of the community. If it is not possible to craft regulations that would accomplish this, I would reluctantly support a complete ban. I also strongly believe that rentals should be strictly limited as to the number of permitted rentals per year ( 10-20?) with the city receiving a portion of that. Overall, I just believe that short-term rentals should not be allowed to become a business, or even a major source of income for the property owners. Let's be honest with ourselves here - permitting short term rentals ONLY benefit the property owners, and will likely reduce the available permanent housing stock in the City. Without strict limitations on the number of rentals permitted per year, I suspect there will most likely cause an increase in home prices as well. People will likely pay more for a house if they feel the can have renters pay more for a house if they feel they can rely on these rentals to pay for a substantial portion of their mortgage. I'm trying to see this from both sides, as the option of renting our home periodically would be nice, but not at the expense of my neighbors. Many others could care less about how it affects others, and we should all be protected from those people.	4/10/2019 9:50 AM
28	This proposed tax has no good argument to help provide more long term housing, or help with any complaints (12 in the last 3 years; most from one property!) or anything else! The city just wants to have more revenue with NO good reason for regulating short term rentals!	4/8/2019 6:49 PM
29	Short Term rental people have all been more polite and considerate than a lot of the permanent residents!	4/8/2019 9:12 AM

## Short Term Rental Community Survey

30	<p>Short term rentals should not be regulated or banned by the City of San Rafael. We have a stand alone guest unit on our property and periodic rental of that unit has been the primary way for our young family to make ends meet. I gave up a full time job to become a parent of 2. Were it not for the modest rental income that in part replaces some of my previous salary, I could not have stayed home to raise our 2 kids without reliance on nannies, babysitters or daycare. Our unit, to my knowledge, has never been a full time rental. We have lived and owned here for 9 years. It was always used by the previous owners as an art studio and music studio- so its not like our current use as a short term rental is depriving tenants of a long term rental solution. Further, if short term rentals are banned, we wouldn't put it on the market for a full time rental. It is much more likely to be removed from the market to care for an elderly relative. We appreciate the flexibility of a short term rental because we can use it for family as needed, and have periods of no rentals when we want to go away to visit relatives, but get the benefit of renting it when we can. It also has helped us afford critical maintenance of the property- like necessary tree trimming and defensible space clearing, as well as sewer later repairs, roof replacement and the like. We believe that short term rentals always generates money for the local economy in that they boost restaurant sales, local grocery store sales and area attractions. Short term rentals are good for our community and should remain unregulated and to the discretion of the homeowner- not their old time neighbor/residents that pay significantly less in taxes and are merely convenience by seeing an additional car parked on the street next to our house.</p>	4/7/2019 12:04 PM
31	<p>I think if people own 3 units or less, that are rented this way, it should be ok. If we get large commercial operations taking over and doing this, that is a problem.</p>	4/6/2019 9:35 AM
32	<p>Every house should pass a safety inspection. Every house should have adequate off street parking. The neighbors should be able to have a Safe, peaceful and predicable living enviroment in their own home.</p>	4/6/2019 9:15 AM
33	<p>i don't think single family home residential neighborhoods should be used for short term rental like air bnb due to security risks</p>	4/5/2019 4:54 PM
34	<p>Don't want strangers living in my neighborhood. It's called a neighborhood, because we want neighbor's, not visitors or tourists. There is not "extra" parking available. This stinks. BAN THEM!</p>	4/5/2019 4:47 PM
35	<p>San Rafael needs permanent housing for those living on the streets and not for visitors from somewhere else that have no respect for us local homeowners. There will be a conflict over speeding and parking as we have already experienced on La Vista Way!!</p>	4/5/2019 3:46 PM
36	<p>Annual license fee. Annual inspection - fire department / building department</p>	4/5/2019 2:31 PM
37	<p>Could be nice to enforce noise ordinances / fines for noise complaints (eg &gt;3 in a calendar year).</p>	4/5/2019 12:16 PM
38	<p>no</p>	4/4/2019 12:07 PM
39	<p>Renters should require prior approval of landlord before being able to short-term sublet.</p>	4/4/2019 10:11 AM
40	<p>My next door neighbor is essentially running a hotel in our neighborhood with over 50 people or groups staying there over a 8 month period. Not paying any taxes and undercutting hotel prices while changing the tenure of the neighborhood</p>	4/3/2019 11:45 PM



## Short Term Rental Community Survey

41	<p>Please be aware that you are lumping single family home rentals and multi-family unit rentals so that people can not see the unique problems to both types of rentals. Especially, the many problems of multi-family rentals where a short-term rental owner is more than likely has rented several units within the same complex and renting them out (subletting really) on short-term rental sites or on a corporate housing website. They (Short-Term Rental Owner (STRO) can and do take up a good percentage of units within the same apartment complex. This is turning the same apartment complex into a hotel (w/o the taxes) and a lot more problems. These problems are (again, in the same apartment complex): a. Taken numerous units off the market for long-term tenants of Marin. b. They have up the rental prices of the existing rental units because of the demand and ongoing turnover of the same short-term rental units. c. Usually, the STRO has their own maintenance and housekeeping people/staff on hand to fix any maintenance problems, to do housekeeping and removal of trash and recycling, in which they improperly dispose of this trash, causing the apartment complex maintenance staff to clean and sort properly the trash items. d. These problems transfer to the regular residents in terms of costs and annoyances. e. The short-term rental residents more than usual do not follow the rules of the complex even though they receive said paper from the STRO. f. One of the most annoying rules that the short-term rental residents do not obey is smoking. No matter how many times they are told by the actual property management of the apartment complex the short-term resident disobeys the rules. And you can now get short-term smokes all the time in the same unit because now the STRO has most likely designated that unit to be a smokers unit, even though they know it is a non-smoking apartment complex. g. I would say by all the identifiable characteristics of a short-term rental unit and actual current information of other long-term tenants that about 40 percent of our apartment complex is either an Airbnb, short-term stay company or a corporate housing company unit. h. My knowledge is from variety of sources. I am a long time property management professional (and actually have worked at my current apartment complex), I've been a resident of the same apartment complex now for 15 years, and I walk my dog a couple of times a day and meet up with other tenants (long and short-term) who give me their feedback on the situation. I hope you can separate the two types of short-term rentals and restrict their limits on the amount of units that can be short-term/corporate housing units. Maybe even designate by the town/city which units can be used as a short-term rental unit. As a long term renter I can see the lasting damaging effect that these SRTO units can do to an apartment complex, in all ways, monetarily and community-wise.</p>	4/2/2019 5:44 PM
42	<p>I like the freedom for homeowners to have the right to offer short trem rental if they need it. I don't want local housing stock to suffer as a result of short term rentals.</p>	4/2/2019 5:23 PM
43	<p>No</p>	4/2/2019 6:09 AM
44	<p>Short term rentals are done for sheer greed. If one cannot afford the mortgage on a second or third home, sell it. There are hotels and motels nearby that can handle extra occupancy and parking. Greed motivates people to rent short term *Airbnb. If people only owned their own homes that they actually live in, it would free up homes for first time buyers or if they want to have rental property, they should rent it long term, otherwise its adding to the rental/housing shortages. San Rafael is getting a new Hotel, people can stay there eventually also. Short term rentals bring parking problems to already congested streets/neighborhoods and parking lots it also brings unsavory people to neighborhoods that have no investment in the area and therefore they could /may be willing to cause issues with trash/drugs/loud parties etc. Last, if there is no way to stop this. Tax them. Make the tax EXTREMELY high Make them prove there is parking on the property and that they are responsible to make sure there is only the amount of vehicles brought to the area as that homeowner has space. Make them pay taxes that the hotels would pay. Make them pay for inspection of property prior to renting short term and every 3 to 6 months after, make them pay the inspection fee each time. Make the homeowners show you they have insurance that covers the use of the home as if it were a hotel and not a residence. Every single thing the city does should be on the homeowners dime because they are essentially running a hotel out of their property. If you can make them understand that it's not just about "it's their home so they can do what they want to" maybe they will understand that if they want to run a business, they need to be professional about it and pay the taxes. They also need to let the neighborhood know that they are running a business out of their home for safety reasons. Their safety and the safety of the short term renters</p>	4/1/2019 6:23 PM

## Short Term Rental Community Survey

45	I believe that short term rentals can be an important if not crucial source of income to people who participate. Income that may make a difference in their livelihood might they be unemployed unexpectedly or face another type of hardship. It is much like renting a room in your house to a student or having a subletter in an in law only more organized and less permanent. I have personally used airbnb and found that it is well maintained, pretty transparent and offers protection for the renter and the owner. Nothing is perfect but renting a room or in law on your property can be complicated for the owner and hard to remove a tenant that might not pay the bill or is having their own hardship. I know many people who have been able to afford their mortgage using airbnb after losing a spouse (breadwinner unexpectedly) and going through a divorce. I know personally of other more concerning profit making housing organizations like sober living environments that are more of a concern for me on my street than short term rentals. This type of housing seems to be totally unregulated. In particular on my street there is an SLE that houses 8 adults with 5 or more cars and concerning drug behaviors. None of the homeowners on our block were notified of this business on our block and this feels more problematic than short term rentals through a regulated organization like airbnb.	4/1/2019 4:38 PM
46	Short term rentals shut out long term renters.	4/1/2019 4:20 PM
47	The rapid rate at which short term rentals are popping up in San Rafael is drastically changing the character of our city, as short term units are often driving up the price or taking the place of long term rental residences entirely, and are no longer available for Marin locals to call home. This, in conjunction with the issues inherent with short term guests lack of vested interest in the wellbeing of San Rafael, will cause major problems for our way of life in the not-so-distant future.	4/1/2019 3:37 PM
48	Renting a room could be very helpful here in San Rafael; I know of many houses where only 1 person resides, who has limited income. It provides an economical place to stay for visitors, like our out of town guests and adult kids. Rental houses must look perfect, which helps property values. Renters who act badly, will get a bad review, and not be able to rent again.	4/1/2019 3:19 PM
49	Owners must register their units and pay a tax per rental night to the city.	4/1/2019 2:03 PM
50	Currency the transients in the neighborhood near downtown San Rafael are a larger issue in this community. Would like to see Ritter House addressed and prioritized over law abiding guests who are Airbnb-ing in the neighborhood, especially if they are renting where owners remain in the home.	4/1/2019 1:52 PM
51	Because we are in such a desirable area for visitors/tourists it may be more profitable for folks to rent out their units as short term, thereby further diminishing the regular rental inventory. This is not good for working folks in San Rafael.	4/1/2019 11:48 AM
52	The ability to earn extra income, keeps money in the neighborhood rather than corporations or multinationals earning money in San Rafael and shipping the profits elsewhere.	4/1/2019 11:17 AM
53	Short term rentals drive up the monthly rental rates, because owners/landlords know they can make more money through short term rentals. While this may help the homeowners of San Rafael, the local residents of Marin county will be impacted by a lack of supply of affordable rental units	4/1/2019 11:11 AM
54	This seems like the city council is in search of a problem where there isn't one. It seems that resources (time and money) are being put into 'researching' STR and 'coming up with solutions' but there is no problem to be had and these resources can be better used serving our community.	4/1/2019 10:56 AM
55	nope. the answer to more affordable housing is not getting rid of Airbnb listings. it's raising people's pay.	4/1/2019 9:59 AM
56	I believe the "how concerned are you"... question was written with bias. By suggesting concern about the issues, you're inherently suggesting to the survey taker they should be concerned. I would suggest reframing those questions so they are less biased. I would also like to add that we shouldn't blame "short-term" rentals on the housing crisis. We, as a community, need to be comfortable with density and building MORE housing. It's extremely "NIMBY" to blame short-term rentals as the cause for the housing crisis. We need to find a way to maintain the character of our town while building additional housing. I believe it is possible when done right.	4/1/2019 9:43 AM
57	On our street on El Pavo Real Circle, there are 9 elementary ages kids and 1 for sure short term rental with loads of people in and out and possibly another home sporadically. I worry for the safety of children with multitude of strangers coming in and out of our small residential street. There is no regulation or requirement of what information is gather about the people staying in these rentals (especially if there's multiple people but only 1 signing up). It will be a tragedy if something happens to a child from one of these strangers. During the summer is tons of comings and going and all times with all different short term renters. Speeding up and down as well.	4/1/2019 9:42 AM

## Short Term Rental Community Survey

58	We live in a family oriented residential neighborhood with children playing on the streets. We have an Airbnb rental across the street from our house, and waking up every week to see different strangers in the house across the street is unsettling. We are concerned about safety, we are losing the neighborhood feel, and we are concerned about parking as well, but mostly the fact that we don't know who is going to be in the house across the street at any given time during spring and summer is of great concern. And there is no entity to contact should trouble arise.	4/1/2019 8:59 AM
59	We have a short-term rental in unincorporated Marin. We did all the permits and rent it 1 to 2 weeks a month. It allows us to still use the home when we want and gives us more control over the management of the house. We have other houses we can stay out of area but still want and need to come back to San Rafael since we have businesses here. We love being able to use our investment and home this way and stay in the community. We have only rented to people coming here for business reasons or family vacations. We state clearly this is not a party house and has noise restrictions. Have had no issues. We provide two parking spaces off street. This is a plan we could continue into our retirement which is 5 years away. We have not added on to our house. It's a single family residence.	4/1/2019 8:34 AM
60	Short-term rentals shouldn't be subject to more restrictive rules than long-term. In both cases, there should be respect for neighbors.	4/1/2019 8:06 AM
61	These surveys are bogus. Airbnb is very apt at mobilizing its users, and having them deluge these types of surveys with self-serving responses.	4/1/2019 8:00 AM
62	This income keeps me from having to sell and move, more lucrative than	4/1/2019 7:50 AM
63	no	4/1/2019 6:18 AM
64	In the name of housing, jurisdictions are micromanaging home ownership. If regulated, city will collect taxes from that will NOT be invested in housing that will make a difference.	4/1/2019 4:04 AM
65	All short term rentals should be banned in Marin Co	4/1/2019 1:02 AM
66	Folks have been renting their places, rooms, extra space for ages. This is simply a new way of doing it that helps to put money in city coffers and allows renters and owners to help pay bills, make ends meet, meet new folks and bring increased business to local businesses. As long as the person is a responsible host there is no issue, and nearly all are. On top of that all my years of being an Airbnb host and guest I have had zero issues. Groups like Airbnb help identify guests and bring regulation to this formally anonymous enterprise. It should be allowed to continue and regulated and taxed appropriately. I feel bans are very damaging and do not stop the issue but make it more dangerous as it goes underground.	3/31/2019 9:18 PM
67	The short term rental near our house has a disastrous lawn. The owner should live in the bay area, or have a manager to manage the property. I don't want to see houses divided into duplexes or triplexes as has happened in some cities, or a greedy rich person buy up all the houses so they can rent them. We have 1 or 2 rentals short term within about 8 blocks. No more than that is good.	3/31/2019 7:43 PM
68	Airbnb and VRBO help homeowners keep the homes they have worked very hard to acquire. These companies are services that allow homeowners to stay in their homes and also allow homeowners to travel more and live a better lifestyle as they can use the funds from their short term rental to travel in retirement. Do not regulate short term rentals. Neighbors should have no input on whether or not I can rent my home.	3/31/2019 7:08 PM
69	Short term rentals, especially Party houses are not only bad for the neighborhood, and take away our peace, they also will affect prices when we go to sell. Why should a big party house be allowed to take away our quality of life? Ban all Airbnb's	3/31/2019 6:59 PM
70	Get government out of the regulation. San Rafael is looking for new fees. I will not ever be a short term rental landlord. I am continually offended by the over-reaching try at regulating our personal lives by the City of San Rafael.	3/31/2019 6:38 PM
71	Like I mentioned above renter was subletting. We have enough problems with regular rentals who aren't watched. Also our CCR in villa real probably limits it as well. Stick to 2nd units for affordable housing for workforce like a dental assistant or nurses. People who want to do this will work around you. Make sure to have people walk around and enforce.	3/31/2019 5:48 PM
72	Neighbors have been listing their ADUs & rooms for rent (a single unemployed mother) w no problems - guests have been very respectful. I don't think it should be up to us to tell someone they can't rent - we're not aware of possible financial problems that this might allow them to stay in their homes	3/31/2019 5:36 PM

## Short Term Rental Community Survey

73	These rentals are bad for pricing in our neighborhoods, especially with how high housing costs are already. They hurt minorities and low-income people the most, and we have to protect all our citizens.	3/31/2019 5:34 PM
74	Many families are being squeezed out of our community. The middle class is disappearing.	3/31/2019 4:27 PM
75	Nope	3/31/2019 3:05 PM
76	If done with respect, they can be a nice revenue stream for owners while on vacation or traveling...	3/30/2019 8:40 PM
77	collect the proper taxes. Health inspections. Hot tub and swimming pool inspections. How rentals affect immediate neighbors.	3/30/2019 11:47 AM
78	Hands off property owners.	3/29/2019 9:34 AM
79	Get ride of short term rental. They are changing our lively community. I'll move somewhere else where if it continues.	3/28/2019 10:18 PM
80	Please understand the distinction between someone converting an entire home to STR which is of concern, vs someone renting a bedroom or two in a home they occupy. There is no impact on parking if Rooms are slept in by guests vs. residents. We already have laws against disturbances and noise and don't need more rules.	3/28/2019 10:00 PM
81	I have a short term rental within my house and it helps me to pay the mortgage which is high. It also allows me the flexibility to not decide when I have guests. I would otherwise not rent the room. In my one plus year experience, I have seen the community reap the benefits from my guests visiting San Rafael for social, work, tourist, and family reasons spending money in the community while dining, shopping, entertainment etc. I also have allowed evacuees from the Sonoma and Paradise fires to stay here for free. I feel that all of this contributes positively to the community small and large.	3/28/2019 9:31 PM
82	no	3/28/2019 8:06 PM
83	Units that are used exclusively for short-term rentals eliminate critically needed rental housing for people who live here. I'm strongly opposed to allowing residential units to be used exclusively for short-term rentals.	3/28/2019 6:03 PM
84	I'm unaware of any issues related to short term rentals in San Rafael.	3/28/2019 5:59 PM
85	Survey biased against short term rentals.	3/28/2019 5:52 PM
86	How do you define short term - days, weeks? My biggest concern is groups that have large, noisy evening parties and hog all the available street parking in a neighborhood.	3/28/2019 1:07 PM
87	No.	3/28/2019 12:26 PM
88	I'll email you if I think of it. Thanks Ethan!	3/28/2019 12:26 PM
89	Allows older citizens to stay in their homes	3/28/2019 11:20 AM
90	The Status Quo is working just fine. With less than 12 inquiries OR complaints over a 3-yr-period, short-term rentals are simply NOT a problem in San Rafael. Pls don't make life difficult for homeowners who rely on STR income to stay here in our community.	3/28/2019 10:27 AM
91	I think Airbnb is actually a good way to make money. Both for homeowners who need extra cash and for the city.	3/28/2019 10:04 AM
92	As a homeowner who does rent my home for less than 10 days per year while we vacation I am very interested in this issue. I am very aware of several long term rental situations in my neighborhood that were not permitted by the City of San Rafael. I know this because I have complained to the homeowners about lack of street parking and lack of consideration in breaking up spaces in one's home to bring in long term rental tenants who have no vested interest in maintaining the neighborhood. The impact on the neighborhood is largely parking since these units have not been required to supply ANY off street parking, or forced to have extra trash collection/containers etc. I understand that SR has a very lenient attitude toward "unpermitted in-law units". Therefore I find it curious that the city is trying to tax people or impose other restrictions for simply renting their home out for a few days a year to short term visitors who also spend money in SR for dining, shopping, excursions etc. I'd be happy to discuss this further if beneficial.	3/28/2019 9:40 AM
93	Short term rentals can help property owners make extra income. I would think this could be good for the city of san rafael as well if they benefit from taxes.	3/28/2019 9:35 AM

## Short Term Rental Community Survey

94	We don't need any regulations on something that hasn't been an issue of concern in the city.	3/25/2019 6:38 PM
95	We often stay in Airbnb units when we travel and they are great.	3/25/2019 3:58 PM
96	Not at all aware that it is a problem in my area	3/25/2019 10:45 AM
97	Will results be made available and published on NextDoor? Would be appreciated! Thanks	3/24/2019 9:58 PM
98	Deliveries to stock these rentals should not be stacked in the street (i.e., pallets of soft drinks and water). It's dangerous to traffic. Renters should be fined if they block neighbors access or driveways .	3/24/2019 9:11 PM
99	No	3/24/2019 6:19 PM
100	No	3/24/2019 4:05 PM
101	More thorough parking regulation and enforcement. Like San Anselmo, I'd like to see street parking permits be enforced on Greenfield Avenue. As it is, we have people not using their garages for cars and parking 1, 2, 3 cars on the street. A new house was just build for Airbnb with no driveway or off-street parking provided. It's a narrow street, my car was involved in a hit and run several years ago, and the street is a bicycle route. Also, there are many new young children and the speed limit doesn't get enforced. More cars on the street only add to the issues through short-term rentals. I say each resident gets two parking passes per household for the street. And, ask that 72-hour parking rules are enforced. We've had cars park out in front on the street for over a week. And, we've had guests block our driveway on several occasions. I'd like to see the owners also share responsibility for the issues; a ticket for the car and a ticket for the property owner for being part of the problems.	3/24/2019 3:59 PM
102	Noisy neighbors. Even long-term renters can be noisy, and the owners don't respond. Require 24 hour response from the owner on noise complaints . Require a valid phone number.	3/24/2019 3:46 PM
103	Police should monitor nuisances and infractions at short term rentals.	3/24/2019 2:37 PM
104	No	3/24/2019 1:09 PM
105	Homeowners should be allowed to do what they want with their properties as long as it doesn't interfere with their neighbors.	3/24/2019 12:15 PM
106	Require parking for renter's vehicles. That is not necessarily "additional" parking. So can't answer that question but you require an answer to move on. Require 24 hour local contact. With who? The owner or renter. Again can't answer with your choices yet can't move on without an answer.	3/23/2019 9:55 AM
107	How is this additional income reported to the State and IRS?	3/23/2019 9:23 AM
108	No	3/22/2019 3:33 PM
109	San Rafael already has a very limited housing stock and a large number of renters. People choosing to rent out their property and live elsewhere have little investment in the local community and do not contribute to sales taxes and other revenue streams. I am concerned that if short term rentals are unregulated the homes available for purchase will continue to shrink as people keep property and rent it out, making long term residency and investment in San Rafael more difficult. What will be the long term impacts on the social fabric of the community? I am also concerned investors will purchase property solely to rent, again limiting the options of people trying to make San Rafael their home and gain property equity. Lastly, short-term rentals take away from hotels and the associated lodging taxes and fees. Short-term rentals should be taxed in the same manner as hotels to assure the City and County do not lose revenue and continue to provide the essential services supported by such funding avenues. I fear that doing nothing or not regulating short-term rentals at all will have negative long term impacts and be a lost opportunity to improve housing options in San Rafael and maintain revenue streams.	3/22/2019 2:38 PM
110	The city should mind its own business and let property owners do as they like with their property- as long as no existing laws are violated. Isn't it called "private property"? Why do I think this is just the preliminary to another tax? Your survey is clearly very biased.	3/22/2019 2:04 PM
111	Mini Units built to provide affordable housing should never be allowed as short term housing	3/22/2019 12:29 PM
112	I am concerned about long-term rental units being converted to short-term rentals thereby displacing long-term residents and increasing rents.	3/22/2019 10:08 AM
113	If enough adjacent neighbors disprove of the short-term rental, the house can be banned from being used as a short-term rental.	3/22/2019 9:35 AM



## Short Term Rental Community Survey

114	As a first time homeowner and family of four, we would not be able to afford to live in San Rafael if we didn't have our accessory unit. We bought the house specifically with a separate apartment so that our parents can stay with us for long stretches of time comfortably. We hope someday that they might move in with us. We rent it maybe 10 times a year to weekenders or people on business. We follow all the rules, make all the arrangements, and adhere to all the necessary safety and parking precautions. Our taxes and fees are already at a peak. We pay 18k in property taxes a year, PGE is going up, gas is through the roof. If you regulate or add additional taxes to people like us it will drive us away.	3/22/2019 9:17 AM
115	I believe in private property rights. I should, within reason (as long as I am not hurting or disrupting my neighbors), do what I want with my home. It is also one way to help me stay in my home as my work income lessens.	3/22/2019 8:14 AM
116	The housing crisis is been caused by agencies like Airbnb. So many rentals have been taken off the market, and I do understand people want to make more money. However, long-term renters are being priced out, and forced to live in conditions that are much worse than they've ever been. We are paying in some cases twice as much, and getting much much less for our money.	3/22/2019 7:37 AM
117	If mini hotels are allowed, deed restrictions on in-law units must be reversed. How do you justify lowering my property values with deed restrictions and allowing hotels in single family zoning?	3/22/2019 6:49 AM
118	No	3/22/2019 4:47 AM
119	We currently have an ADU and utilize a short term rental service. In the years we have been doing this, we have had more issues with long term renters that short term guests. We encourage all of our guests to eat and shop locally and many of our guests do not have a car as we are near downtown. I feel that a one time inspection is a great idea as well as having the owner live on the property. This is a fantastic way for us to supplement our income and share with visitors the beauty of San Rafael.	3/21/2019 10:35 PM
120	We already have a massive shortage on affordable housing and this will just add more stress on the working class/middle class of Marin who suffer to find a place when they need it. Also, it will increase rents.	3/21/2019 10:18 PM
121	Thank you for the opportunity	3/21/2019 9:39 PM
122	How dare you propose to interfere with individual property ownership rights. Health and safety rules, regulations and laws are already on the books. No need for government overreach.	3/21/2019 9:20 PM
123	no	3/21/2019 9:13 PM
124	No	3/21/2019 8:55 PM
125	My landlord is in the process of converting the lower unit of the duplex I am in. I am afraid that the added noise, disruption of people arriving at all hours, and discomfort of not know who is in the unit or when it is occupied will impact me to the extent that I will have to find new accommodations. I am 88 years old and any change is a challenge. At this point there is one meter and I am responsible for PGE,water and trash. I don't know how this is going to be resolved. There definitely has to be some kind of city oversight.	3/21/2019 8:52 PM
126	I believe people should have the freedom to use their property as they see fit. As long as it's done responsibly. I have rented my own house as I was going through financial troubles and it definitely helped me avoid bankruptcy proceedings and for that I'm indeed very grateful. I hope San Rafael won't ruin this opportunity for both short term renters that need a furnished place while they're getting work done in their house and owners who could use the financial help.	3/21/2019 8:35 PM
127	The most important concern is access to affordable long term rental properties for residents of all income levels.	3/21/2019 8:25 PM
128	I feel that your multiple choice answers, with the strongest "no" answer being "not a priority" are skewed for everyone to basically ban short term rentals. I would like to have a short term rental of a month or more, but I am afraid that I will be hit with fees. I will not rent to a long term renter	3/21/2019 8:15 PM
129	If you are going to regulate then make sure you enforce every regulation. Have meaningful penalties that can deter issues in the first and make sure a city tax is paid.	3/21/2019 7:59 PM
130	I haven't seen any evidence of a problem nor have any of many friends mentioned a problem	3/21/2019 7:38 PM
131	City must hold airbnb hosts accountable for their impact on neighborhoods. What possible reason can there be for not upholding neighbors' Rights. San Rafael has turned into a wild western town. Enough!	3/21/2019 6:42 PM

## Short Term Rental Community Survey

132	Yes allow them! We need more business and there is too much nimbyism	3/21/2019 6:14 PM
133	Parking is a nightmare as it is and I wish there was more regulation regarding this. One neighbor at 40 Hacienda Ct. has an RV, two trucks, a van, SUV, compact car and also rents out a back unit to somebody with a truck. There is not adequate parking as is and I would like to see some more regulation regarding this so we can park outside our own homes and occasionally have guests.	3/21/2019 6:13 PM
134	Rental housing is in extremely short supply in the County. I strongly oppose anything that reduces the amount of stable, long-term rental housing. Also, the character and stability of a neighborhood can be adversely affected by an abundance of short term rentals; it affects us all, renters and owners. For the sake of the strength and cohesiveness of our community I strongly urge you to take all this in consideration, and limit short term rentals to a level that does not impact long term rental housing or neighborhood character.	3/21/2019 6:12 PM
135	We used to short term rent our home for about a week a year. Have terminated doing this since the time and effort required to report our earnings **every month** is ridiculous.	3/21/2019 4:58 PM
136	I don't know what you mean by limiting short-term rentals to one per resident. Do you mean limiting the number of persons who can occupy a short-term rental to one? If so, I don't see that as a priority.	3/21/2019 4:50 PM
137	It is ridiculous and ludicrous to even waste time with a proposition like this! It totally goes against people's freedom to do whatever in their homes as long as it does not disturb neighbors and infringe the law. WHY NOT BE CONCERNED WITH PUBLIC LIGHTING - IT'S PITCH BLACK AROUND THE CITY AT NIGHT!!!!!!	3/21/2019 4:33 PM
138	Increase of Airbnb's do affect the rental market and this is already a tight and over priced housing market. I think some limits are in order If a new owner is purchasing a home and they already have one Airbnb, I would like to see some limits on purchasing housing strictly as a business. If it is rented as long term housing, it serves the local community. If it is rented as an Airbnb, it serves the owner and the tourist community only. Airbnb has the potential to dramatically change the rental market as it has already done in many parts of the world. I do think some regulations are in order particularly for those who are only looking to use their rentals for Airbnb. Maybe limit it to one property max and beyond that must be reserved for long term housing. Which is still plenty profitable in Marin Thank you	3/21/2019 4:32 PM
139	I am concerned about party houses with the attending noise and garbage	3/21/2019 4:22 PM
140	Short-term rental of a spare room/in-law unit/own house when away provides financial relief and helps less wealthy homeowners pay for a mortgage or other expenses (and it would be useful as well for renters to help with the rent, if renters had rights). It should not be a full-time business keeping several properties out of the real estate/full-time rental market.	3/21/2019 4:13 PM
141	no	3/21/2019 3:59 PM
142	It may be that short-term rentals actually help residents sustain their properties, considering that housing costs and demand continue to rise as a result of a continually greater population. It's necessary to consider the pluses and minuses (the gray areas) between both positions as outlined—that is, rather than seek a kind of polarization of answers and participants. Some of the survey questions appear to be framed such that they skew the possible answers, toward the banning of short-term rentals and the fanning of fear, whereas positive possibilities might equally have been included in the mix (the other side of the coin, as it were—in other words, rather than having someone respond that they're not concerned about the parking impact, or they're very concerned about it, you're making parking into a problem, and it might not be a problem at all or might be resolved in creative, acceptable ways). In question 9, the categories "Not a Priority", "A Minor Priority," "A Major Priority," and "The Single Biggest Priority" lend certain presumptions to the questions being asked and do not allow for an open-ended response that might give you insight into true concerns people have. People may in fact not be polarized about short-term rentals, and so it may be more useful to frame the questions in an "educational" way—that is, first state the particular concern and give its balanced "sides" so that people have enough information on a subject they may not know much about (rather than your subtextually creating a context simply by choosing the terms of focus)—and then ask the question.	3/21/2019 3:39 PM
143	1. Occasional short-term rentals are fine, but it should not be a consistent business in a single family neighborhood. 2. Short-term rentals should be licensed, regulated and supervised for proper conduct that does not bother immediate neighbors. 3. Traffic and noise generated at the house would be my primary concerns	3/21/2019 3:36 PM

## Short Term Rental Community Survey

144	These questions seem very biased nothing looking at the advantages like people on limited income being able to keep their home through short term rentals, etc.	3/21/2019 3:27 PM
145	Since a granny unit doesn't require any outside regulation, neither should a short term rental	3/21/2019 3:11 PM
146	Rules should vary depending on how urban the neighborhood is. HOAs should be allowed to ban them.	3/21/2019 3:04 PM
147	Short term rentals are a great way for local residents to make some additional income. However, leaving unrestricted, it will diminish housing for longer term residents and significantly effect who can live here. Allowing owners some income from short term rentals but restricting # days or looking at problems in other communities assoc with STR will help guide restrictions so folks can benefit from the income without completely removing exhausting housing from the long term rental market. (	3/21/2019 2:29 PM
148	This is such a waste of public policy and time	3/21/2019 2:28 PM
149	I don't want short term rental in San Rafael!	3/21/2019 2:23 PM
150	No shorter. Rentals. This is a residential community, not a hotel community.	3/21/2019 2:19 PM
151	As a complete ban may not be feasible, How would the city be able to enforce any limits? Enforcement would require Human Resources which are costly. Is there a way to generate revenue for the city through short term rentals, to pay for enforcement of regulations?	3/21/2019 2:17 PM
152	If the county makes renting too cumbersome, I'll simply not rent anymore and there will be less available housing in Marin	3/21/2019 2:15 PM
153	I have done short term rentals in another city. Sadly, rather than giving it a try and assess from REAL data, cities, most recently in Sausalito, rely on false information (sometimes literally made up stories), NIMBY-isms, and fear mongering rather than weighing the important considerations, some of which you mention in your survey. I would highly recommend working with the short term rental platforms such as VRBO, and Alrbnb (which has the highest hosting standards and is a very responsible community "citizen" in designing regulations or guidelines for San Rafael. Over regulation is not the answer. Short term rentals and housing issues are apples and oranges which the media and cities have made into a fruit salad that does no one any constructive good. Short term rentals are also two different kinds. Hosted (owner lives on site) and non-hosted (owner not present). Therein alone, is a huge difference that MUST be considered if a city wants to make educated choices. I would be interested in meeting with Ethan Guy if he is interested in any more details. Thank you for the consideration of conducting this survey. I wish the City of San Rafael much success in this exploration. Sincerely, Maria Lobanovsky	3/21/2019 2:08 PM
154	Much as I'd like people to be able to make some extra money, we have a severe affordability crisis in San Rafael and Marin and we should not be doing anything that might negatively impact the volume of long-term rental units and shared rentals. I don't see where any of the restrictions you might impose would make a difference in the availability of rentals. So the only fair and sensible option is to ban them all. Well, if someone is leaving town for a period and wants to rent out, sublet, or exchange their place , that should be permissible. But turning living spaces into commercial enterprises via airbnb or other vacation rental businesses, is one of the factors disrupting the local, long-term rental market and driving people out of San Rafael and Marin.	3/21/2019 1:55 PM
155	Short term rentals should be regulated but not too stringent that will make it undesirable to operate. Renters shall be screened carefully to reduce the likelihood that the renters will generate noise and become a nuisance.	3/21/2019 1:52 PM
156	8 blocks away a stabbing, 5 blocks away there was a killing, I live close to the canal there is an over abundance of transients and people last thing we need is a total short term rental party scene I can't even find parking and I need to park on the street and I still get tickets \$75 apiece this is ridiculous there is no regulation at all I call Barbier Security and the police often this is ridiculous I will fight this	3/21/2019 1:41 PM
157	I think it's a great idea.... hope it works out.. I use AirBNB and love it..... they screen very well the people they rent to...	3/21/2019 1:35 PM
158	no	3/21/2019 1:30 PM
159	No party houses	3/21/2019 1:27 PM
160	Do not want rentals in our neighborhood.	3/21/2019 1:25 PM
161	No	3/21/2019 1:17 PM



## Short Term Rental Community Survey

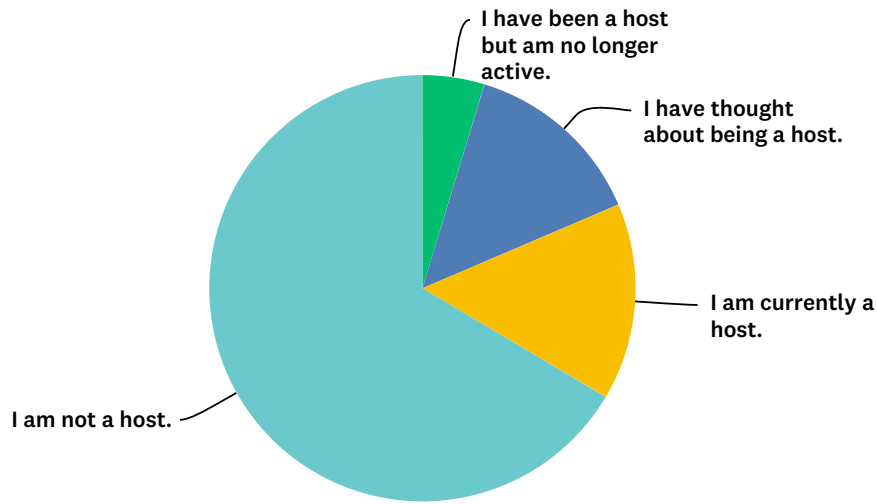
162	control of income. most are hidden incomes	3/21/2019 1:14 PM
163	Require off street parking is essential in addition to limiting the number of days	3/21/2019 1:01 PM
164	Allowing owners to rent out a room or two, is good. "Bed and breakfast " are a European tradition, and have been an accepted alternative for people to stay in for as long as I can remember, at least 60-70 years. Visitors to a town should not be restricted to Hotels. Visitors will often have a better experience with a private home owner than with impersonal hotels, they get a better feeling for the town and local recommendations	3/21/2019 12:59 PM
165	I don't really have a problem so long as their is a 24 hour contact, they are not party houses and it is not a full time gig. If someone wants to do a house swap or rent it while gone, no problem.	3/21/2019 12:55 PM
166	I want to be able to add a unit to my property for short term rentals.	3/21/2019 12:50 PM
167	I think it's a right of the American people to be able to have short term rentals. Unfortunately, with a higher rental rates in San Rafael, it's pretty much a no-win situation. If anything, you should try to incentivize increase people to provide affordable long-term housing.	3/21/2019 12:50 PM
168	While I feel that home owners should have freedom to rent as they need... I also am concerned about the loss of housing for the work force of Marin. As a homeowner, I would prefer to create affordable housing, but I also understand that short term housing in a tourist area like Marin is a crucial source of income for people (as myself). It has to be a balance? not easy ! thanks for addressing the issue.	3/21/2019 12:49 PM
169	City should tax short term rentals so that the community can benefit from them.	3/21/2019 12:43 PM
170	Ban all short term rentals. 30 day minimum	3/21/2019 12:40 PM
171	Homeowners purchasing in single family neighborhoods shouldn't be forced to live next to short term rentals. They are disruptive and objectionable on the face. San Rafael needs more long term housing. Short term rentals fly in the face of this in every dimension. They are not helpful.	3/21/2019 12:40 PM
172	This city has no business restricting the property rights outside of the noise and safety regulations already in place.	3/21/2019 12:39 PM
173	In the past I have been a 'host' and a 'renter' for short term rentals. There should be no regulations. Taxes are already levied on income.	3/21/2019 12:33 PM
174	There is no reason why the county should get involved at this point. It seems Like another regulatory issue that will fill with red tape and never get solved. The process works well in every other city. More regulations and oversights and paperwork and added fees are NOT what homeowners need.	3/21/2019 12:27 PM
175	These rentals have greatly impacted my quality of life for he worse.	3/21/2019 12:26 PM
176	The city needs resources to monitor the housing it already has. There are exactly 2 officers for drugs and dealers and meth manufacturers know they can't monitor the number of drug houses in San Rafael. So how are you going to monitor party houses? Have some fee that pays for extra poluce. Also meth dealer next door to me had child removed which took 5 years, county monitors over 3 units & city leaves you alone if under 3 so they used the floor in the bathroom instead of the toilet and trashed the whole house, poor elementary school child had to live like that - ok so that's ling term, but short term can have dealing, child/"human" trafficking, please charge them fees so San Rafael has the resources to monitor. If you rent short term, have an inspection. Company in Australia has meth detectors, meth is a problem here from the amount of my previous and current neighbors' manufacturing/sales. Current neighbor manufactures before holidays then they're gone a few days selling it. Takes 1 day in air b&b to make meth and family has no idea. Health risk to children. Thanks for listening. Sorry so long and rambly...	3/21/2019 12:24 PM
177	Sometimes short term rentals allow people to stay in their homes using this income	3/21/2019 12:19 PM
178	Should be required to have same permits/inspections as any hotel.	3/21/2019 12:17 PM
179	One of the main reasons I left San Francisco was due to the constant rotation of Air B&B people in the unit above me. Short term rentals make a residence a hotel but with a huge disruption to the community, stability and safety to all those around who pay premium prices to reside here.	3/21/2019 12:15 PM
180	Then person renting the unit should take the time and effort to screen the possible renter to ensure comparability	3/21/2019 12:11 PM
181	A formal, documented way for concerned neighbor to address these issues with the rental owner.	3/21/2019 12:10 PM

## Short Term Rental Community Survey

182	You keep allowing increases in everything now you want to regulate what people do to raise some money to pay their bills. Leave them alone.	3/21/2019 12:09 PM
183	City and county should not regulate rental property use at all. It limits the value and marketability of the property.	3/21/2019 12:09 PM
184	I think short term rentals are a great way for people to afford the crazy high prices here in Marin and would be saddened if we put up any draconian bans on them in San Rafael.	3/21/2019 12:08 PM
185	I do not see this as an issue. Simply making easier to build accessory dwelling units, houses, and multi family housing is the path to addressing housing. Maybe we lack hotels too...? City should encourage property owners with multi family zoning to pursue that option when redeveloping and make that an attractive path for them.	3/21/2019 12:03 PM
186	I am very neutral on this topic and I found the survey to be very biased and worded in favor of regulation. It was OBVIOUSLY written by people who badly want regulation.	3/21/2019 12:01 PM
187	Too many regulations about everything already	3/21/2019 11:59 AM
188	Short-term rentals are a wonderful way to bring in local tourism. Only those that cause disturbances should be regulated/ penalized.	3/21/2019 11:58 AM
189	Ban STR in shared driveways; Restrict STR to mixed or commercial Zones and not in Residential Neighborhoods	3/20/2019 9:04 PM
190	Make short term rentals illegal but don't spend staff time on policing unless complaints from neighboring residents	3/20/2019 6:19 PM

## Q14 Have you ever been a Short-Term Rental Host?

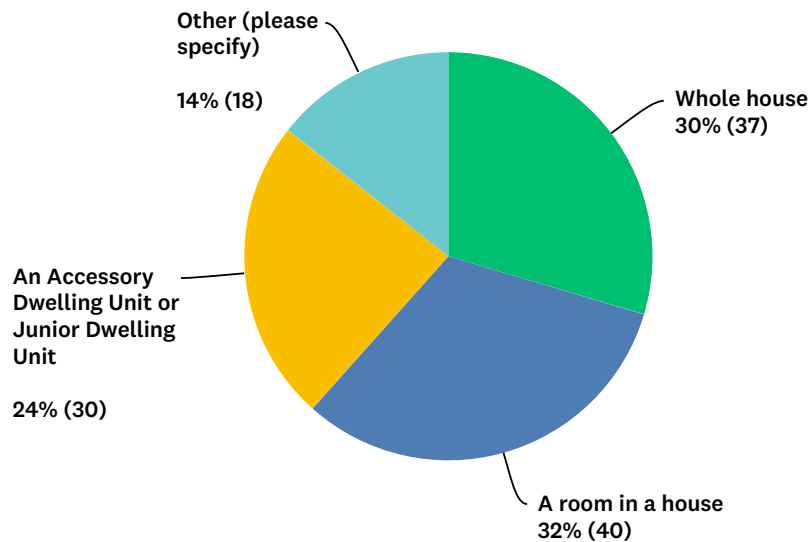
Answered: 382 Skipped: 27



ANSWER CHOICES	RESPONSES	
I have been a host but am no longer active.	4.71%	18
I have thought about being a host.	13.87%	53
I am currently a host.	14.92%	57
I am not a host.	66.49%	254
<b>TOTAL</b>		<b>382</b>

## Q15 Please select the type of listing you host or would host.

Answered: 125 Skipped: 284



ANSWER CHOICES	RESPONSES	
Whole house	30%	37
A room in a house	32%	40
An Accessory Dwelling Unit or Junior Dwelling Unit	24%	30
Other (please specify)	14%	18
<b>TOTAL</b>		<b>125</b>

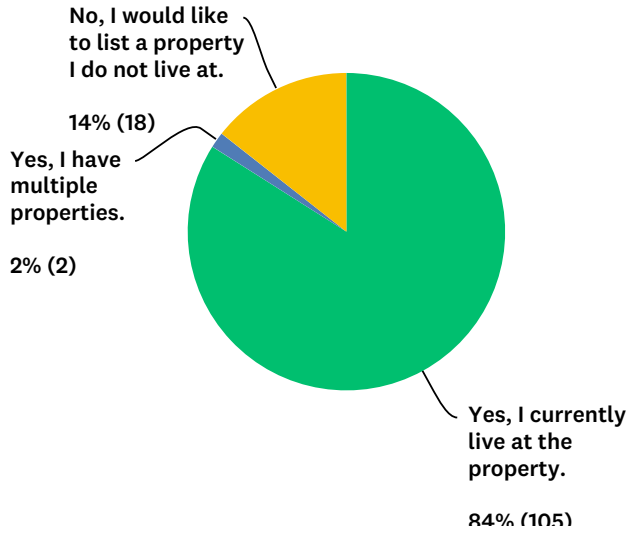
#	OTHER (PLEASE SPECIFY)	DATE
1	separate studio	4/21/2019 3:23 PM
2	experience- 'glamping' tent experience w/bedand furnishings	4/19/2019 7:41 AM
3	We divided our house and made private entrance	4/18/2019 1:55 PM
4	I don't host/own any longer	4/10/2019 11:51 PM
5	any of the above, depending on the circumstances.	4/10/2019 9:54 AM
6	In one case, the whole house. In another case, a room in the home where I live.	4/3/2019 7:38 AM
7	whole house or dwelling unit	4/1/2019 9:44 AM
8	We own a 5-unit apartment, 2 of which are available for s-t rentals	4/1/2019 8:10 AM
9	Portion of house	3/31/2019 8:34 AM
10	Travel Trailer	3/28/2019 6:02 PM
11	I'm a property manager of high-end short-term rentals in Souther Marin since 2014 with great success for home owners and guests <a href="https://www.adriennebiggs.com/concierge-marin">https://www.adriennebiggs.com/concierge-marin</a>	3/22/2019 1:10 AM
12	Na	3/21/2019 8:01 PM
13	consider whole home or a room in the house	3/21/2019 5:45 PM
14	not apply	3/21/2019 4:34 PM

## Short Term Rental Community Survey

15	I was a short term posting NAPA they are highly regulated the house I was at, The short term owner rental that was doing illegal activities was find \$165,000	3/21/2019 1:46 PM
16	Not at this time	3/21/2019 1:04 PM
17	Right now I would host any type. In the past (different house in Redwood city) I hosted a room in a house. It was fabulous for a bit of extra money. People were incredibly nice.	3/21/2019 12:36 PM
18	Depends on what we decided to do.	3/21/2019 12:29 PM

## Q16 Do you currently live at the property in San Rafael you are (or would like to) list?

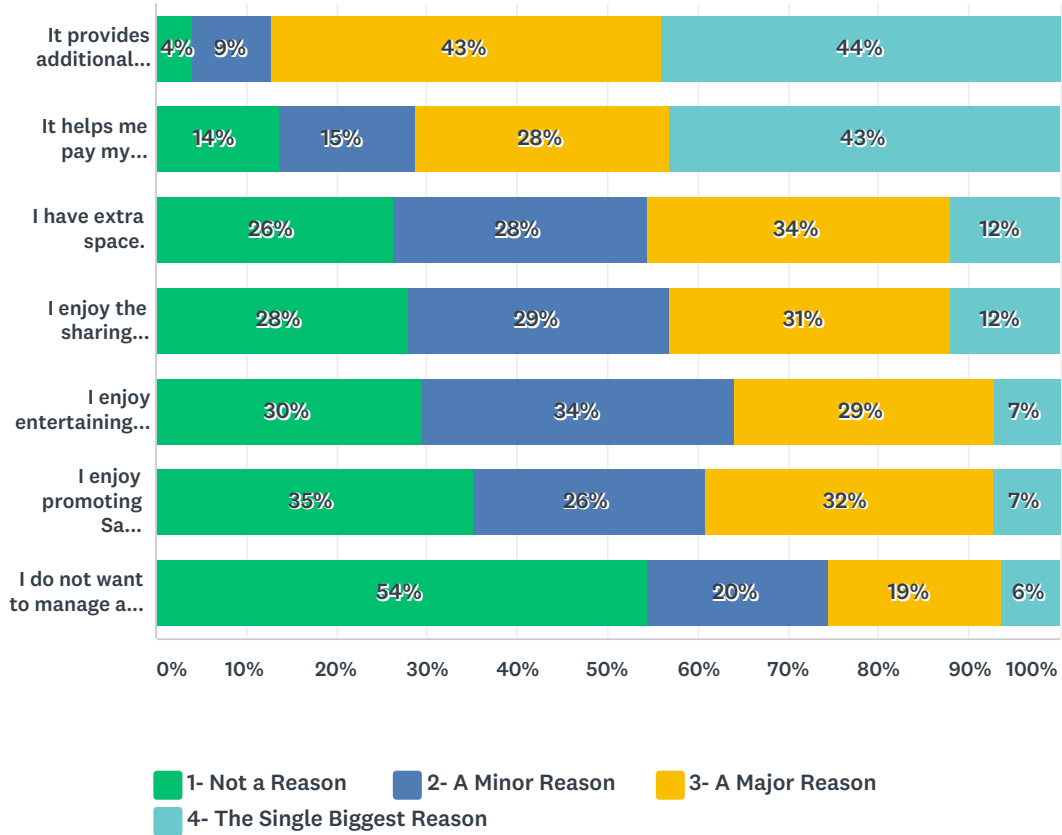
Answered: 125 Skipped: 284



ANSWER CHOICES	RESPONSES	
Yes, I currently live at the property.	84%	105
Yes, I have multiple properties.	2%	2
No, I would like to list a property I do not live at.	14%	18
TOTAL		125

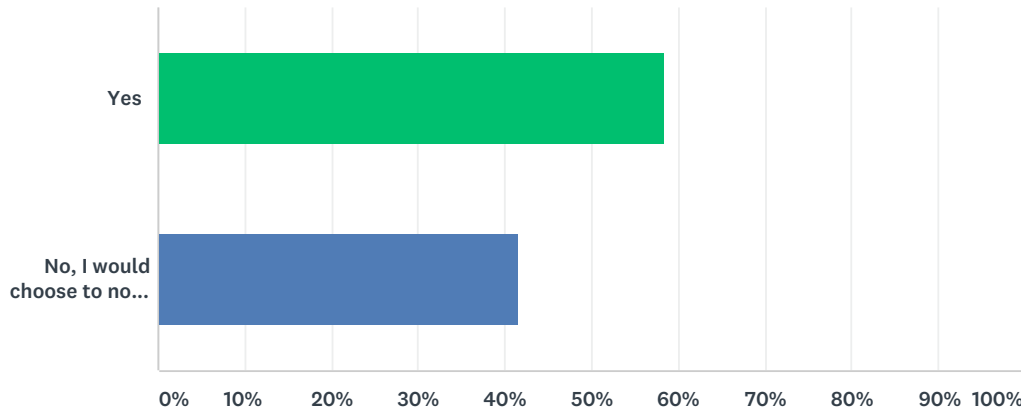
## Q17 Why do you want to host a Short-Term Rental?

Answered: 125 Skipped: 284



### Q18 Would you be willing to pay an annual registration fee?

Answered: 125 Skipped: 284

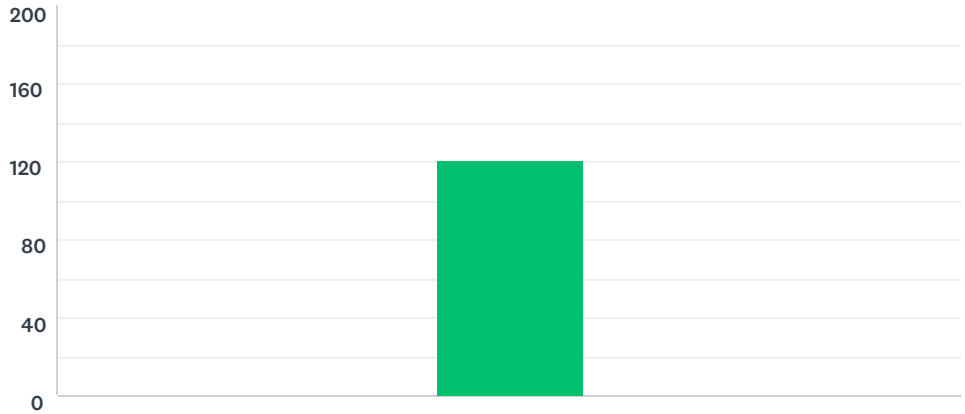


ANSWER CHOICES	RESPONSES	
Yes	58.40%	73
No, I would choose to no longer host a Short-Term Rental	41.60%	52
TOTAL		125



### Q19 How much of an annual fee would you be willing to pay to host a listing? (Note: the national average is \$250 per year per listing)

Answered: 125 Skipped: 284



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
	121	15,144	125
Total Respondents: 125			

#		DATE
1	89	4/21/2019 3:23 PM
2	500	4/21/2019 8:52 AM
3	204	4/21/2019 7:34 AM
4	247	4/20/2019 6:38 PM
5	125	4/19/2019 4:35 PM
6	50	4/19/2019 7:41 AM
7	150	4/18/2019 9:12 PM
8	57	4/18/2019 5:57 PM
9	237	4/18/2019 5:04 PM
10	124	4/18/2019 4:48 PM
11	0	4/18/2019 3:52 PM
12	50	4/18/2019 3:42 PM
13	120	4/18/2019 3:22 PM
14	5	4/18/2019 3:00 PM
15	50	4/18/2019 2:31 PM
16	200	4/18/2019 1:55 PM
17	0	4/18/2019 1:47 PM
18	0	4/18/2019 1:01 PM
19	160	4/18/2019 12:46 PM
20	0	4/18/2019 12:24 PM
21	251	4/18/2019 12:16 PM

## Short Term Rental Community Survey

22	120	4/18/2019 12:07 PM
23	1	4/18/2019 12:06 PM
24	36	4/18/2019 11:55 AM
25	100	4/18/2019 11:48 AM
26	3	4/18/2019 11:40 AM
27	49	4/18/2019 11:39 AM
28	300	4/17/2019 9:12 PM
29	261	4/17/2019 12:54 PM
30	87	4/16/2019 6:26 AM
31	1	4/10/2019 11:51 PM
32	247	4/10/2019 9:54 AM
33	251	4/8/2019 6:52 PM
34	106	4/7/2019 10:37 PM
35	200	4/7/2019 12:06 PM
36	250	4/7/2019 11:06 AM
37	250	4/6/2019 9:40 AM
38	175	4/5/2019 3:26 PM
39	250	4/5/2019 12:17 PM
40	100	4/5/2019 11:36 AM
41	100	4/4/2019 1:33 PM
42	74	4/4/2019 12:09 PM
43	50	4/4/2019 10:14 AM
44	153	4/3/2019 7:38 AM
45	99	4/2/2019 10:37 AM
46	0	4/1/2019 10:33 PM
47	251	4/1/2019 5:18 PM
48	250	4/1/2019 4:39 PM
49	100	4/1/2019 12:38 PM
50	0	4/1/2019 11:18 AM
51	4	4/1/2019 10:57 AM
52	491	4/1/2019 10:50 AM
53	298	4/1/2019 10:04 AM
54	50	4/1/2019 9:44 AM
55	0	4/1/2019 8:10 AM
56	0	4/1/2019 7:25 AM
57	12	4/1/2019 1:04 AM
58	98	3/31/2019 9:20 PM
59	250	3/31/2019 7:45 PM
60	9	3/31/2019 3:46 PM
61	250	3/31/2019 1:22 PM
62	160	3/31/2019 12:22 PM

## Short Term Rental Community Survey

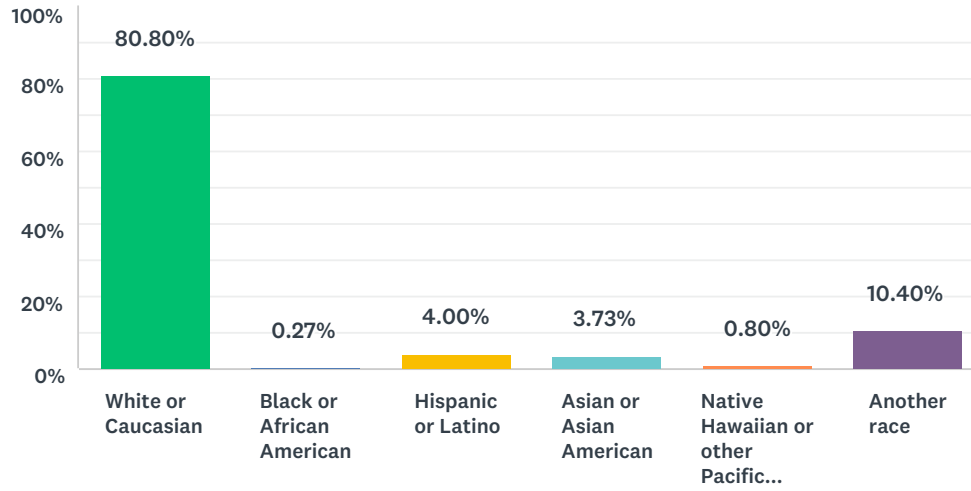
63	75	3/31/2019 8:34 AM
64	150	3/29/2019 1:17 PM
65	105	3/29/2019 8:50 AM
66	100	3/28/2019 10:01 PM
67	100	3/28/2019 9:33 PM
68	150	3/28/2019 6:02 PM
69	100	3/28/2019 5:54 PM
70	0	3/28/2019 3:07 PM
71	2	3/28/2019 1:08 PM
72	250	3/28/2019 12:59 PM
73	0	3/28/2019 12:39 PM
74	151	3/28/2019 11:22 AM
75	0	3/28/2019 10:30 AM
76	247	3/28/2019 10:06 AM
77	251	3/28/2019 9:56 AM
78	25	3/28/2019 9:55 AM
79	0	3/28/2019 9:42 AM
80	250	3/26/2019 8:23 AM
81	0	3/25/2019 4:00 PM
82	150	3/25/2019 2:42 PM
83	500	3/24/2019 4:01 PM
84	500	3/24/2019 1:11 PM
85	0	3/24/2019 12:10 PM
86	147	3/24/2019 12:01 PM
87	150	3/23/2019 5:42 PM
88	200	3/22/2019 9:49 PM
89	150	3/22/2019 7:09 PM
90	4	3/22/2019 5:17 PM
91	0	3/22/2019 9:19 AM
92	45	3/22/2019 1:10 AM
93	110	3/21/2019 10:38 PM
94	150	3/21/2019 9:14 PM
95	200	3/21/2019 8:37 PM
96	0	3/21/2019 8:17 PM
97	0	3/21/2019 8:01 PM
98	32	3/21/2019 5:45 PM
99	500	3/21/2019 5:23 PM
100	25	3/21/2019 5:07 PM
101	250	3/21/2019 4:57 PM
102	0	3/21/2019 4:34 PM
103	150	3/21/2019 4:34 PM

## Short Term Rental Community Survey

104	150	3/21/2019 4:16 PM
105	252	3/21/2019 3:29 PM
106	100	3/21/2019 3:13 PM
107	0	3/21/2019 2:43 PM
108	0	3/21/2019 2:17 PM
109	125	3/21/2019 2:10 PM
110	4	3/21/2019 1:46 PM
111	0	3/21/2019 1:16 PM
112	251	3/21/2019 1:04 PM
113	196	3/21/2019 12:58 PM
114	50	3/21/2019 12:52 PM
115	200	3/21/2019 12:52 PM
116	139	3/21/2019 12:52 PM
117	200	3/21/2019 12:46 PM
118	0	3/21/2019 12:37 PM
119	0	3/21/2019 12:36 PM
120	0	3/21/2019 12:29 PM
121	100	3/21/2019 12:23 PM
122	3	3/21/2019 12:18 PM
123	50	3/21/2019 12:14 PM
124	0	3/21/2019 12:05 PM
125	0	3/21/2019 11:49 AM

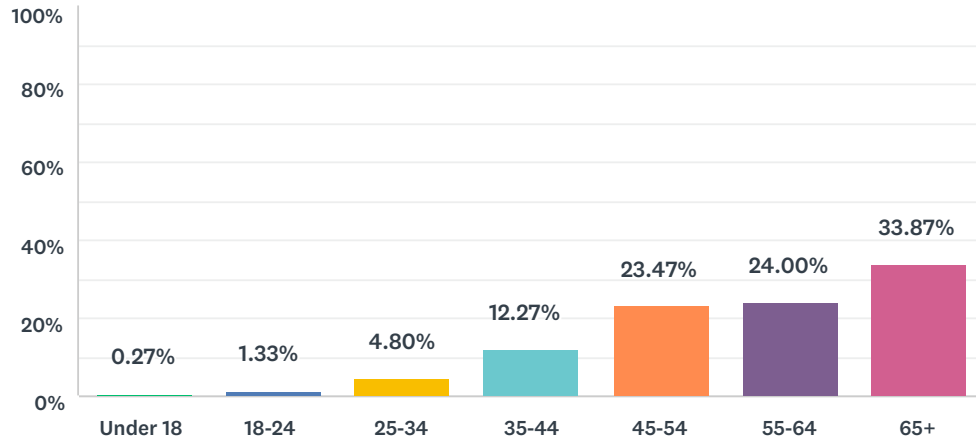
## Q20 What is your race?

Answered: 375 Skipped: 34



## Q21 What is your age?

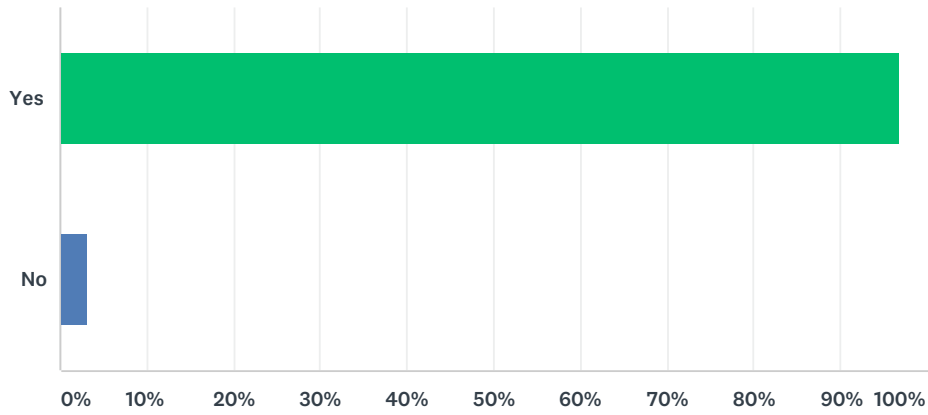
Answered: 375 Skipped: 34



ANSWER CHOICES	RESPONSES	
Under 18	0.27%	1
18-24	1.33%	5
25-34	4.80%	18
35-44	12.27%	46
45-54	23.47%	88
55-64	24.00%	90
65+	33.87%	127
<b>TOTAL</b>		<b>375</b>

## Q22 Is San Rafael your primary place of residence?

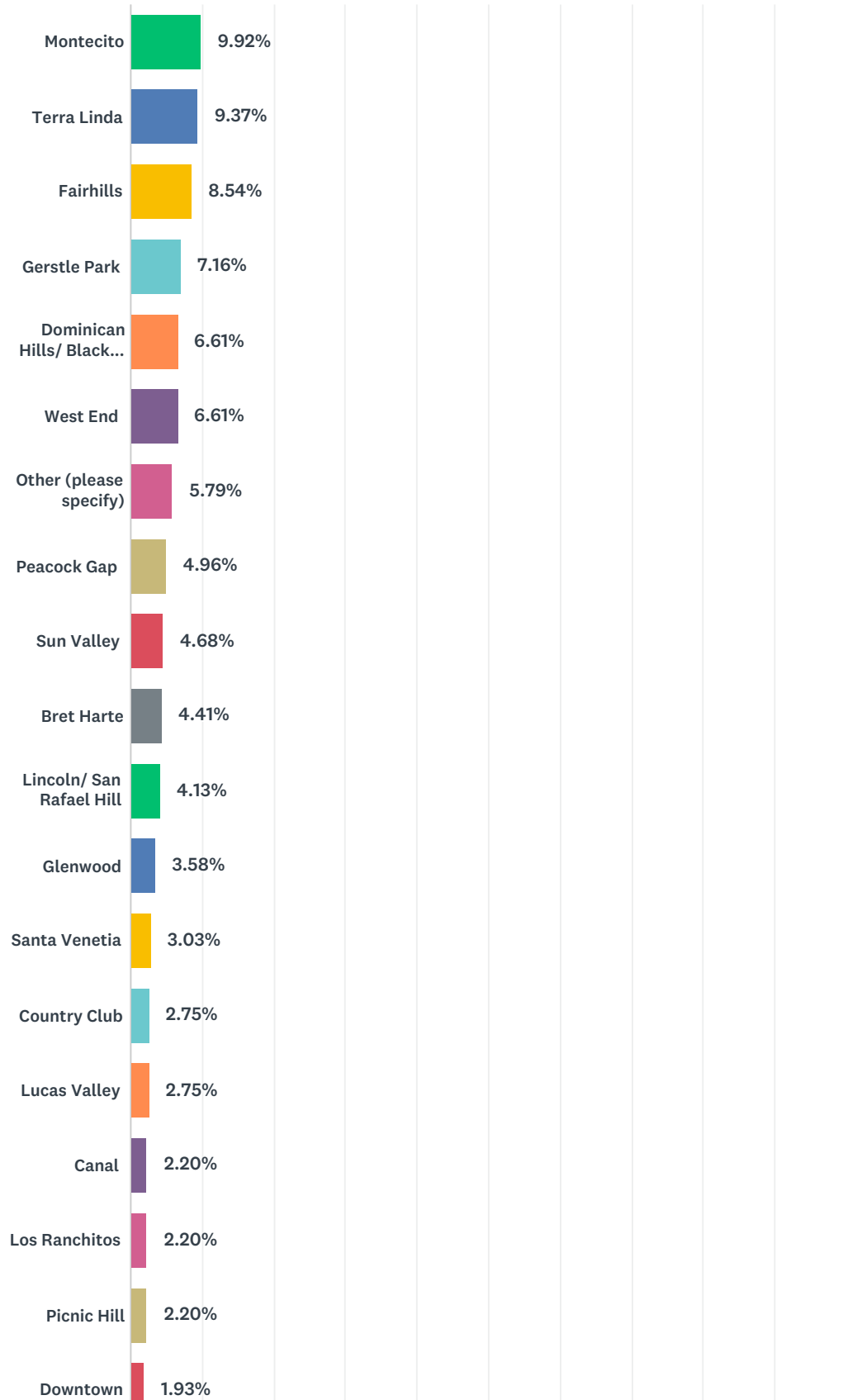
Answered: 375 Skipped: 34



ANSWER CHOICES	RESPONSES	
Yes	96.80%	363
No	3.20%	12
TOTAL		375

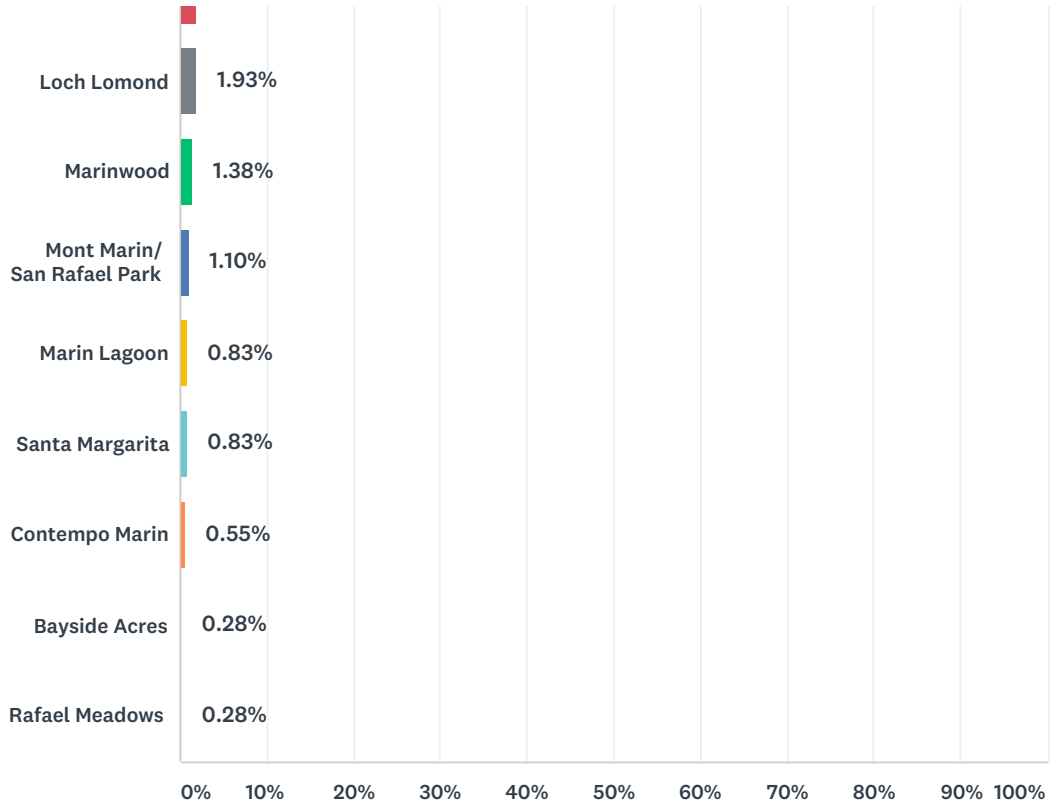
## Q23 If yes, which San Rafael neighborhood do you live in?

Answered: 363 Skipped: 46





## Short Term Rental Community Survey



#	OTHER (PLEASE SPECIFY)	DATE
1	Spinnaker Point	4/19/2019 1:50 PM
2	Spinnaker point	4/7/2019 10:38 PM
3	racquet club estates (above sun valley)	4/5/2019 4:55 PM
4	Racquet club estates	4/2/2019 5:24 PM
5	I've lived in the West End and Canal neighborhoods	4/1/2019 6:24 PM
6	Villa real (god we don't even rate a line item)	3/31/2019 5:49 PM
7	Other	3/28/2019 3:08 PM
8	Fairhills	3/24/2019 12:57 PM
9	Prefernottosay	3/21/2019 10:39 PM
10	Villa Real	3/21/2019 9:40 PM
11	fuck you	3/21/2019 9:21 PM
12	Canal West	3/21/2019 6:43 PM
13	Spinnaker Point	3/21/2019 4:01 PM
14	Happy Valley (Montecito/Dominican)	3/21/2019 3:41 PM
15	Spinnaker Point (we are not part of the Canal!!!!)	3/21/2019 2:01 PM
16	Spinnaker point	3/21/2019 1:47 PM
17	Decline to comment	3/21/2019 1:17 PM
18	Rafael Highlands	3/21/2019 1:00 PM
19	Rafael Highlands	3/21/2019 12:20 PM
20	Rafael Highlands	3/21/2019 12:18 PM



## Q24 If no, please provide the city of your primary residence?

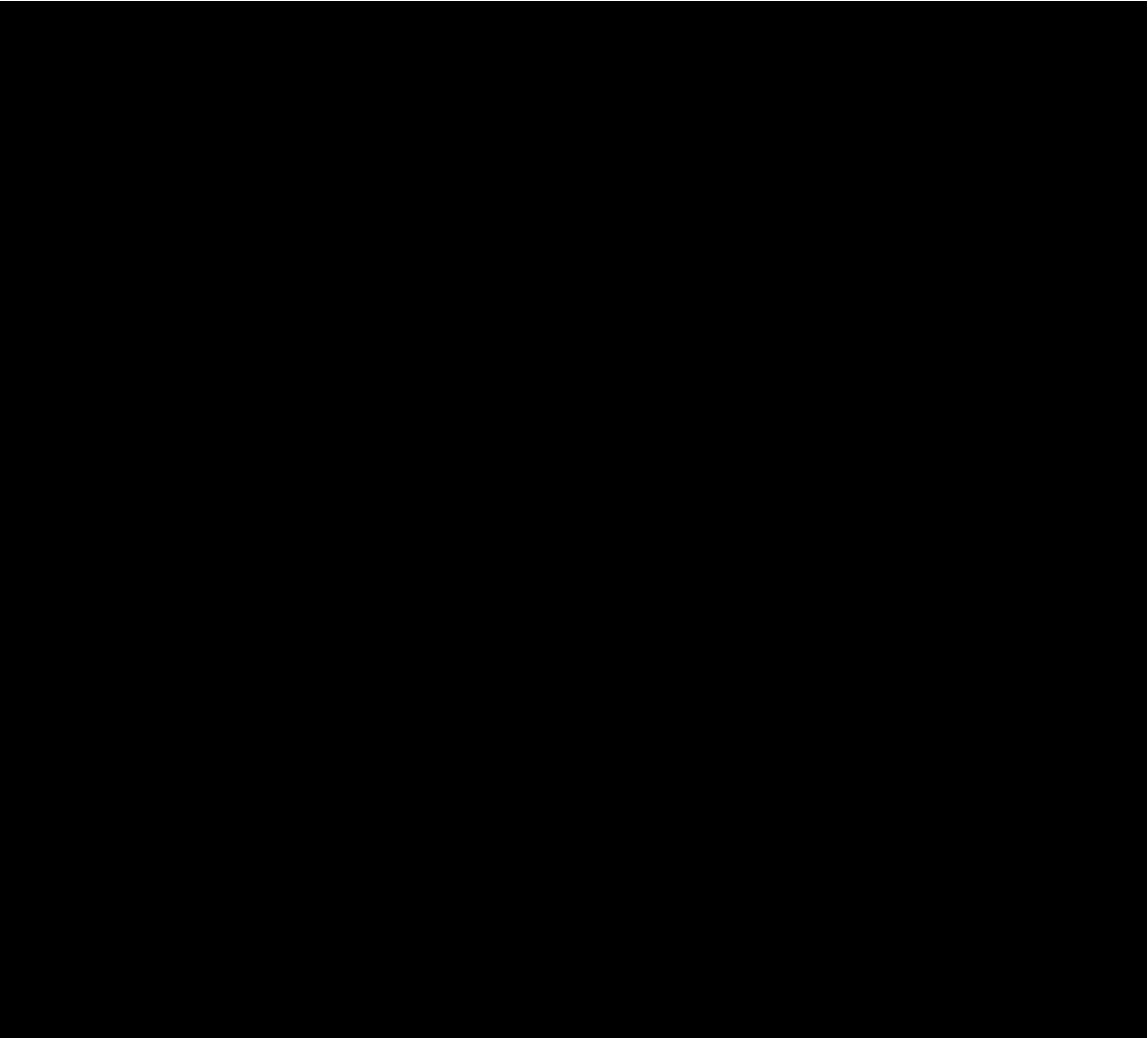
Answered: 11 Skipped: 398

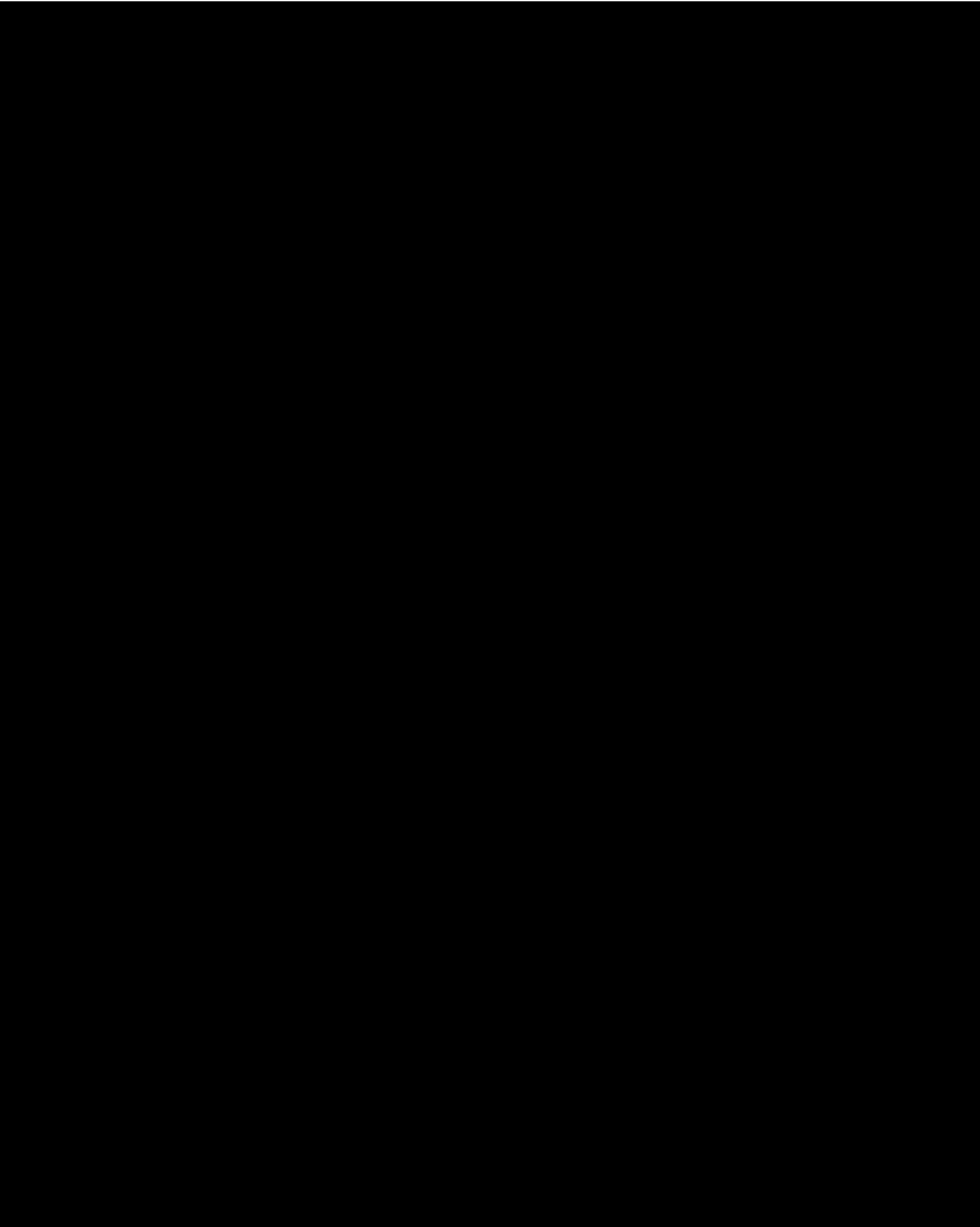
#	RESPONSES	DATE
1	San Francisco	4/18/2019 3:22 PM
2	irrelevant	4/17/2019 5:41 AM
3	Sebastopol	4/8/2019 6:53 PM
4	Out of Town	4/2/2019 11:54 AM
5	Greenbrae	4/2/2019 6:10 AM
6	Eagle, Idaho	4/1/2019 7:02 PM
7	Santa Cruz	4/1/2019 10:04 AM
8	Bodega Bay	4/1/2019 8:11 AM
9	san Rafael	4/1/2019 1:05 AM
10	San Anselmo	3/31/2019 8:16 PM
11	San Mateo	3/21/2019 5:59 PM

## Q25 Would you like to be contacted about updates and events on Short Term Rentals in San Rafael? (optional)

Answered: 108 Skipped: 301

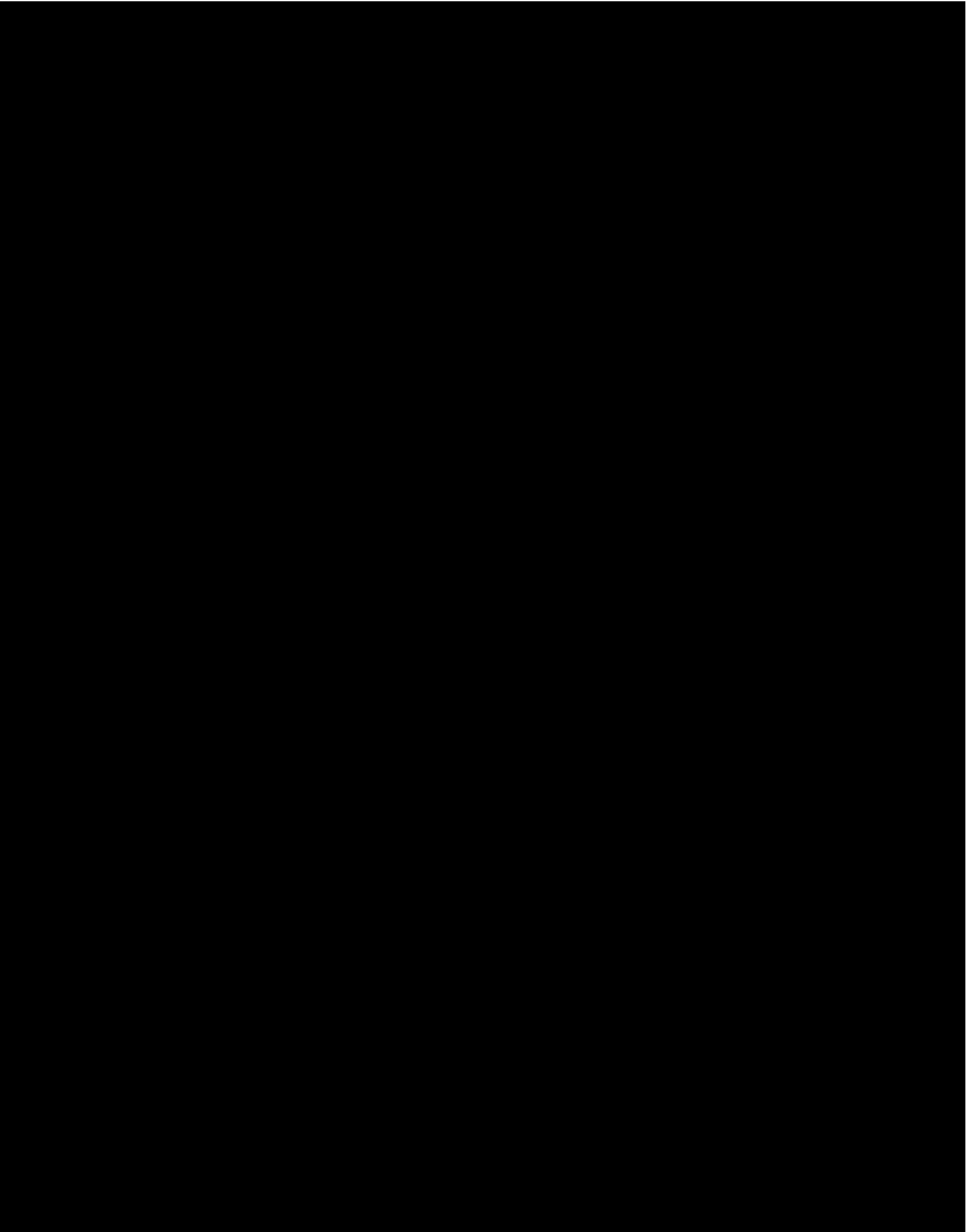
ANSWER CHOICES	RESPONSES	
Name	95.37%	103
Email	99.07%	107
Phone	67.59%	73





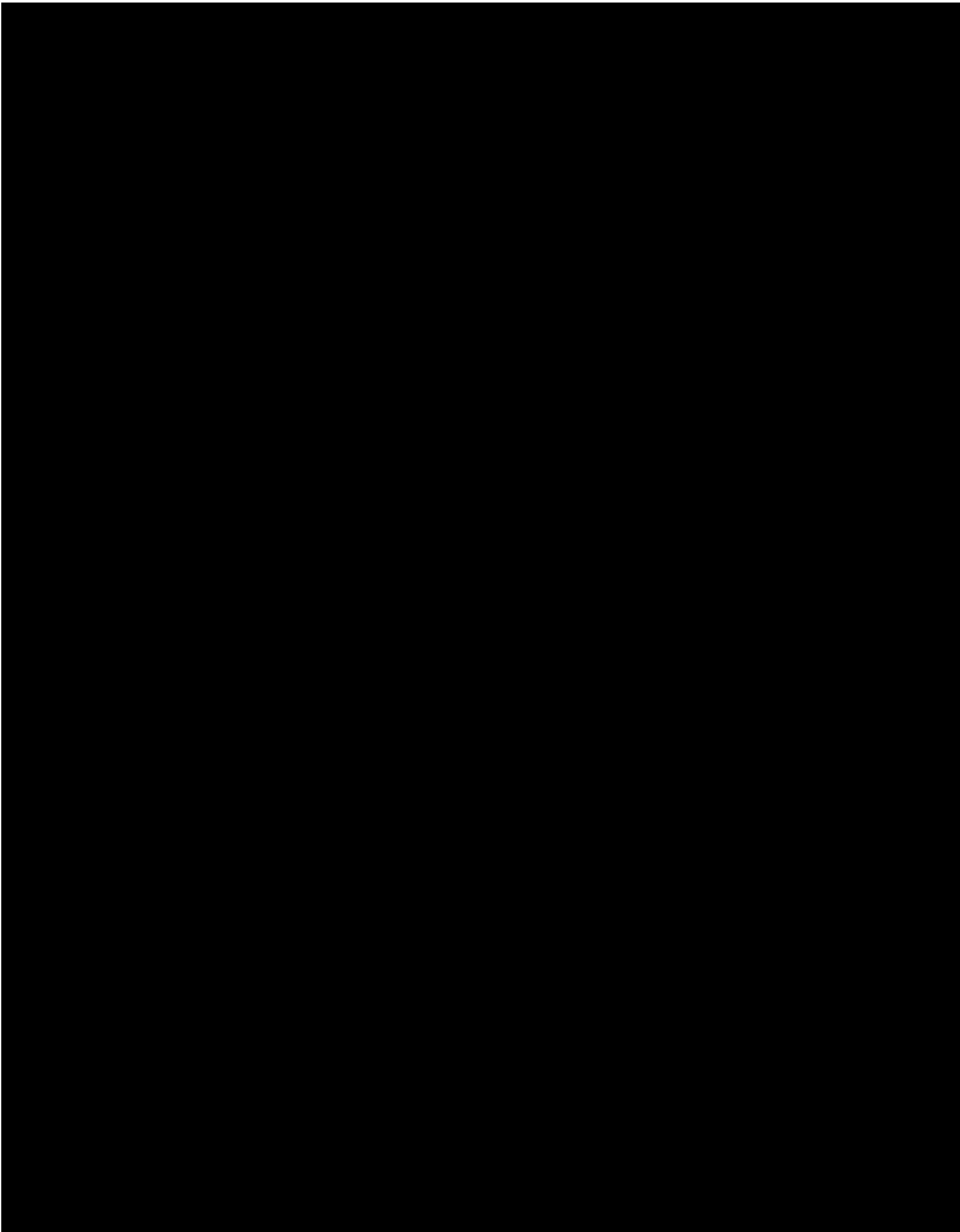


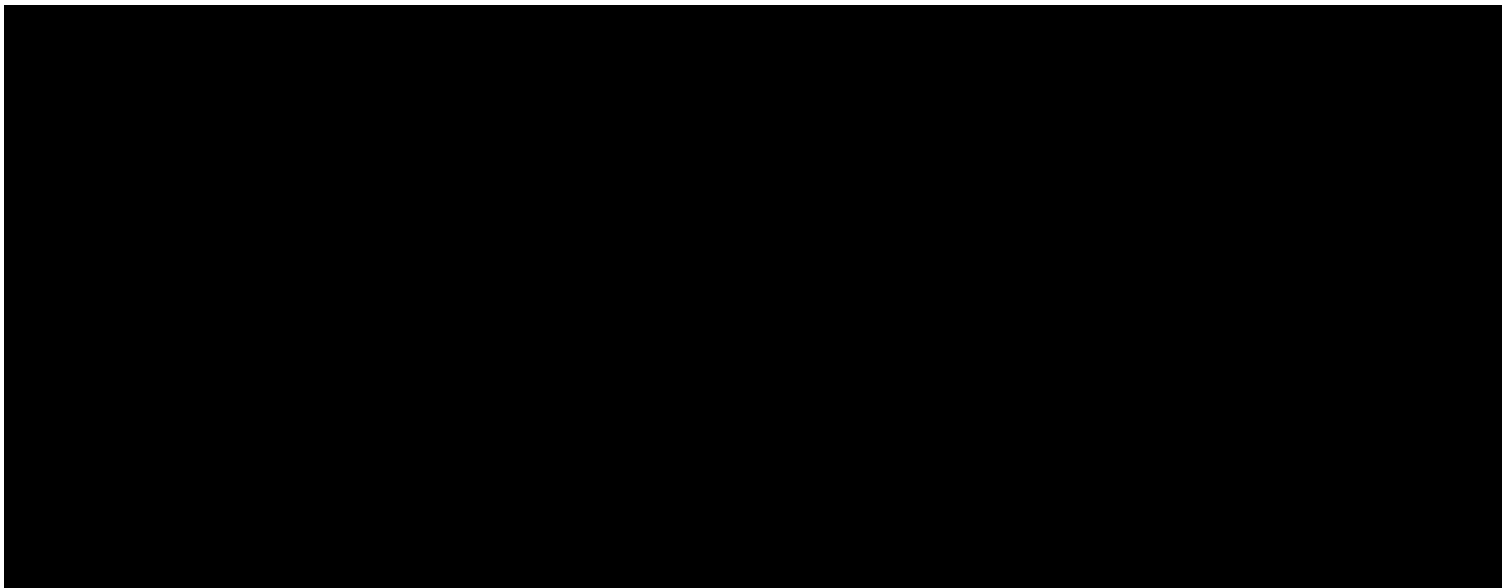












ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF SAN RAFAEL CITY COUNCIL  
AMENDING CHAPTER 14.03.030 AND CHAPTER 3.20.020 OF THE SAN  
RAFAEL MUNICIPAL CODE, AND ADDING NEW CHAPTER 10.110 ENTITLED  
"SHORT TERM RENTAL PROGRAM"

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL DOES ORDAIN AS FOLLOWS:

**DIVISION 1. FINDINGS.**

WHEREFORE,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL DOES  
ORDAIN AS FOLLOWS:

**DIVISION 2. AMENDMENTS TO MUNICIPAL CODE.**

- A. Chapter 14.03.030 of the San Rafael Municipal Code is hereby amended as follows (strike-outs indicate deletions, double-underlining indicates additions):

*"Hotel" means any building or portion thereof ~~containing multiple guest rooms~~ designed for compensation, primarily for the accommodation of transient travelers, with eating, drinking, banquet and recreational facilities related to the hotel use, but not including those facilities defined as residential care facilities.*

*"Home occupation" means an accessory use of a dwelling unit, conducted entirely within the dwelling unit, carried on by one (1) or more persons, all of whom reside within the dwelling unit, as further defined in [Section 14.16.220](#), Home occupations, but not including those facilities defined as short-term rentals in SRMC Chapter 14.03.030.*

*"Short-term rental" means the rental of all or a portion of a dwelling unit for less than 30 days consecutive tenancy.*

- B. Chapter 3.20.020 of the San Rafael Municipal Code is hereby amended as follows (strike-outs indicate deletions, double-underlining indicates additions):

*""Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, short-term rental or other similar structure or portion thereof."*

C. Title 10 of the San Rafael Municipal Code, entitled “Businesses, Professions, Occupations, Industries and Trades” is hereby amended by adding new Chapter 10.110, entitled “Short-Term Rental Program” to read in its entirety as follows:

**10.110.010 Purpose and intent**

It is the purpose of this ordinance to benefit the general public by minimizing adverse impacts on the housing supply and on persons and households of all income levels resulting from the loss of residential units through their conversion to tourist and transient use. This is to be accomplished by regulating the conversion of residential units to tourist and transient use, and through appropriate administrative and judicial remedies.

**10.110.020 Applicability**

The provisions of this Chapter shall apply to all Dwelling Units in the San Rafael city limits, including a single-family dwelling or unit in a multifamily or multipurpose dwelling, a unit in a condominium or cooperative housing project, or a unit in a structure that is being used for residential uses whether or not the residential use is a conforming use permitted under the San Rafael Municipal Code, which is hired, rented, or leased to a household within the meaning of California Civil Code Section 1940.

**10.110.030 Definitions**

For the purpose of this Chapter, unless the context clearly requires different meaning, the words, terms, and phrases set forth in this section shall have the meanings given to them in this section:

- A. “Booking Service” A Booking Service is any reservation and/or payment service provided by a person or entity that facilitates a short-term rental transaction between an Owner or Business Entity and a prospective tourist or transient user, and for which the person or entity collects or receives, directly or indirectly through an agent or intermediary, a fee in connection with the reservation and/or payment services provided for the short-term rental transaction.
- B. “Business Entity” A corporation, partnership, or other legal entity that is not a natural person that owns or leases one or more residential units.
- C. “Complaint” A complaint submitted to the Department alleging a violation of this Chapter 10.110 and that includes the Residential Unit’s address, including unit number, date(s) and nature of alleged violation(s), and any available contact information for the Owner and/or resident of the Residential Unit at issue.
- D. “Conversion or Convert” A change of use from Residential Use to Tourist or Transient Use, including, but not limited to, renting a Residential Unit as a Tourist or Transient Use.
- E. “Department” The Community Development Department.
- F. “Director” The Director of the Community Development Department, or his or her designee.

- G. "Dwelling unit" for purposes of this Chapter means one or more rooms designed, occupied or intended for occupancy as separate living quarters, with a kitchen, sleeping facilities, and sanitary facilities for the exclusive use of one household, but not including any such unit occupied in whole or in part by the property owner or the property owner's family members, including parents, children, brothers, sisters, aunts, uncles, nieces, and/or nephews.
- H. "Host" A person or Business Entity that participates in the short-term rental business by providing a short-term rental.
- I. "Hosting Platform" A person or Business entity that participates in the short-term rental business by providing, and collecting or receiving a fee for, Booking Services through which a Host may offer a Residential Unit for Tourist or Transient Use. Hosting Platforms usually, though not necessarily, provide Booking Services through an online platform that allows a Host to advertise the Residential Unit through a website provided by the Hosting Platform and the Hosting Platform conducts a transaction by which potential tourist or transient users arrange Tourist or Transient Use and payment, whether the tourist or transient pays rent directly to the Host to the Hosting Platform.
- J. "Interested Party" A Resident of the building in which the Tourist or Transient Use is alleged to occur, any homeowner association associated with the Residential Unit in which the Tourist or Transient Use is alleged to occur, the Owner of the Residential Unit or Business Entity property in which the Tourist or Transient Use is alleged to occur, a Resident or Owner of a property within 100 feet of the property containing the Residential Unit in which the Tourist or Transient Use is alleged to occur, the City of San Rafael, or any non-profit organization exempt from taxation pursuant to Title 26, Section 501 of the United States Code, which has the preservation or improvement of housing as a stated purpose in its articles of incorporation or bylaws.
- K. "Owner" Owner includes any person who is the owner of record of the real property. As used in this Chapter 10.110, the term "Owner" includes a lessee where the lessee is offering a Residential Unit for Tourist or Transient use.
- L. "Permanent Resident" A person who occupies a Residential Unit for at least 60 consecutive days with intent to establish that unit as his or her primary residence. A Permanent Resident may be an owner or a lessee.
- M. "Primary Residence" The Permanent Resident's usual place of return for housing as documented by at least two of the following: motor vehicle registration; driver's license; voter registration; tax documents showing the Residential Unit as the Permanent Resident's residence for the purposes of a home owner's tax exemption; or a utility bill. A person may have only one Primary Residence.
- N. "Residential Unit" Room or rooms, including a condominium or a room or dwelling unit that forms part of a tenancy-in-common arrangement, in any building, or portion thereof, which is designed, built, rented, leased, let or hired out to be occupied for Residential Use as defined in the San Rafael Municipal Code.
- O. "Residential Use" Any use for occupancy of a Residential Unit.
- P. "Short-Term Rental" Any rental of all or a portion of a dwelling unit for less than 30 days consecutive tenancy.

- Q. "Short-Term Rental Registry or Registry" A database of information maintained by the Department that includes a unique registration number for each Short-Term Rental and information regarding Hosts who are permitted to offer Residential Units for Short-Term Rental. The Registry shall be available for public review to the extent required by law, except that, to the extent permitted by law, the Department shall redact any Host names and street and unit numbers from the records available for public review.
- R. "'Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered.
- S. "Tourist or Transient Use" Any use of a Residential Unit for occupancy for less than a 30-day term of tenancy, or occupancy for less than 30 days of a Residential Unit leased or owned by a Business Entity, whether on a short-term or long-term basis, including any occupancy by employees or guests of a Business Entity for less than 30 days where payment for the Residential Unit is contracted for or paid by the Business Entity.

#### **10.11.040 Short-Term Rental Registry Applications, Fee, and Reporting Requirement**

- A. Application. Registration shall be for a one-year term, which may be renewed by the Host by filing a completed renewal application. Initial and renewal applications shall be in a form prescribed by the Department. The Department shall determine, in its sole discretion, the completeness of an application. Upon receipt of a complete initial application, the Department shall send mailed notice to the owner of record of the Residential Unit, informing the owner that an application to the Registry for the unit has been received.

In addition to the information set forth here, the Department may require any other additional information necessary to show compliance with this Chapter 10.110. Upon the Department's determination that an application is complete, the unit shall be entered into the Short-Term Rental Registry and assigned an individual registration number.

- B. Fee. The fee for the initial application shall be \$165 and for each renewal shall be \$130, payable to the Department. Fees set forth in this Section may be adjusted by resolution of the City Council. The City shall, if necessary, adjust the fees upward or downward for the upcoming fiscal year as appropriate to ensure that the program recovers the costs of operation without producing revenue that is significantly more than such costs. The adjusted rates shall become operative on July 1.
- C. Reporting Requirement. To maintain good standing on the Registry, the Host shall submit a quarterly report to the Department beginning on January 1, April 1, July 1, and October 1 of each year, regarding the number of days the Residential Unit or any portion thereof has been rented as a Short-Term Rental since either initial registration or the last report, whichever is more recent, and any additional information the Department may require to demonstrate compliance with this Chapter.

### **10.110.050 Requirements for Hosting Platforms**

- A. All Hosting Platforms shall provide the following information in a notice to any user listing a Residential Unit located within the City of San Rafael through the Hosting Platform's service. The notice shall be provided prior to the user listing the Residential Unit and shall include the following information: that SRMC Chapter 10.110 regulates Short-Term Rental of Residential Units; the requirements for registration of the unit with the Department; and the transient occupancy tax obligations to the City.
- B. A Hosting Platform shall comply with the requirements of [Chapter 10.04 entitled "Business License Tax"](#) and [Chapter 3.20 entitled "Uniform Transient Occupancy Tax"](#) of this Code, among any other applicable requirements, collecting and remitting all required Transient Occupancy Taxes, and this provision shall not relieve a Hosting Platform of liability related to an occupant's, resident's, Business Entity's, or Owner's failure to comply with the requirements of Chapter 10.04 and Chapter 3.20. A Hosting Platform shall maintain a record demonstrating that the taxes have been remitted to the City.
- C. A Hosting Platform may provide, and collect a fee for, Booking Services in connection with short-term rentals for Residential Units located in the City of San Rafael only when the Hosting Platform exercises reasonable care to confirm that those Residential Units are lawfully registered on the Short-Term Rental Registry at the time the Residential Unit is rented for short-term rental. Whenever a Hosting Platform complies with administrative guidelines issued by the City to confirm that the Residential Unit is lawfully registered on the Short-Term Rental Registry, the Hosting Platform shall be deemed to have exercised reasonable care for the purpose of this subsection.
- D. On the fifth day of every month, a Hosting Platform shall provide a signed affidavit to the City verifying that the Hosting Platform has complied with subsection in the immediately preceding month.
- E. For not less than three years following the end of the calendar year in which the short-term rental transaction occurred, the Hosting Platform shall maintain and be able, in response to a lawful request, to provide to the City for each short-term rental transaction for which a Hosting Platform has provided a Booking Service:
  - 1) The name of the Owner or Business Entity who offered a Residential Unit for Tourist or Transient Use,
  - 2) The address of the Residential Unit,
  - 3) The dates for which the tourist or transient user procured use of the Residential Unit using the Booking Service provided by the Hosting Platform,
  - 4) The registration number for the Residential Unit, and
  - 5) The affidavit required in subsection 10.11.040.E.



- F. The Department shall designate a contact person for members of the public who wish to file Complaints under this Chapter or who otherwise seek information regarding this Chapter or Short-Term Rentals. This contact person shall also provide information to the public upon request regarding quality of life issues, including, for example, noise violations, vandalism, or illegal dumping, and shall direct the member of the public and/or forward any such Complaints to the appropriate City department.
- G. Notwithstanding any other provision of this Chapter, nothing in this Chapter shall relieve an individual, Business Entity, or Hosting Platform of the obligations imposed by any and all applicable provisions of state law and the Municipal Code including but not limited to those obligations imposed by [Chapter 10.04 entitled "Business License Tax"](#) and [Chapter 3.20 entitled "Uniform Transient Occupancy Tax"](#) of this Code. Further, nothing in this Chapter shall be construed to limit any remedies available under any and all applicable provisions of state law and the Municipal Code including but not limited to [Chapter 10.04 entitled "Business License Tax"](#) and [Chapter 3.20 entitled "Uniform Transient Occupancy Tax"](#).

#### **10.110.60 Administrative Enforcement Procedures**

- A. Determination of Violation. Upon the filing of a written Complaint, the Director shall take reasonable steps necessary to determine the validity of the Complaint. To determine if there is a violation of this Chapter, the Director may initiate an investigation. This investigation may include, but is not limited to, an inspection of the subject property and/or a request for any pertinent information from the Owner, Business Entity, or Hosting Platform, such as leases, business records, or other documents. The Director shall have discretion to determine whether there is a violation of this Chapter. Notwithstanding any other provision of this Chapter, any alleged violation related to failure to comply with the requirements of [Chapter 10.04 entitled "Business License Tax"](#) or [Chapter 3.20 entitled "Uniform Transient Occupancy Tax"](#) shall be enforced under the provisions of those Chapters.
- B. Noticing and Administrative Hearing Procedures. Noticing and Administrative Hearing Procedures shall be conducted in accordance with [Chapter 1.44](#) and/or [Chapter 1.46](#) of this Code.
- C. Administrative Penalties for Violations and Enforcement Costs. Administrative Penalties and Enforcement Costs shall be imposed in accordance with [Chapter 1.44](#) and/or [Chapter 1.46](#).

#### **DIVISION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

The City Council finds that adoption of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 of the State CEQA Guidelines for operation, repair, maintenance, or minor alteration of existing structures or facilities.

#### **DIVISION 4. SEVERABILITY.**

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

**DIVISION 5. EFFECTIVE DATE; PUBLICATION.**

This Ordinance shall be published once, in full or in summary form, before its final passage, in a newspaper of general circulation, published, and circulated in the City of San Rafael, and shall be in full force and effect thirty (30) days after its final passage. If published in summary form, the summary shall also be published within fifteen (15) days after the adoption, together with the names of those Councilmembers voting for or against same, in a newspaper of general circulation published and circulated in the City of San Rafael, County of Marin, State of California.

\_\_\_\_\_  
GARY O. PHILLIPS, Mayor

ATTEST:

\_\_\_\_\_  
LINDSAY LARA, City Clerk

The foregoing Ordinance No. \_\_\_\_\_ was read and introduced at a Regular Meeting of the City Council of the City of San Rafael, held on the \_\_\_\_\_ day of \_\_\_\_\_, 2019 and ordered passed to print by the following vote, to wit:

AYES:            Councilmembers

NOES:            Councilmembers

ABSENT:        Councilmembers

and will come up for adoption as an Ordinance of the City of San Rafael at a Regular Meeting of the Council to be held on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
LINDSAY LARA, City Clerk

**VOLUNTARY COLLECTION AGREEMENT  
FOR  
CITY OF SAN RAFAEL, CALIFORNIA, TRANSIENT OCCUPANCY TAX**

**THIS VOLUNTARY COLLECTION AGREEMENT** (the “**Agreement**”) is dated \_\_\_\_\_, 2019 and is between **AIRBNB, INC.**, a Delaware corporation (“**Airbnb**”), and the **CITY OF SAN RAFAEL, CALIFORNIA** (the “**Taxing Jurisdiction**”). Each party may be referred to individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS:**

WHEREAS, Airbnb represents that it provides an Internet-based platform (the “**Platform**”) through which third parties offering accommodations and/or activities (“**Hosts**”) and third parties booking such accommodations and/or activities (“**Guests**”) may communicate, negotiate and consummate a direct booking transaction for accommodations and/or activities to which Airbnb is not a party (“**Booking Transactions**”); and

WHEREAS, the Taxing Jurisdiction and Airbnb enter into this Agreement voluntarily in order to facilitate the reporting, collection and remittance of applicable transient occupancy taxes and applicable sales taxes (“**Taxes**”) imposed under applicable City of San Rafael, California, law (the applicable “**Code**”), on behalf of certain Hosts for Booking Transactions completed by such Hosts and Guests on the Platform for accommodations transactions located in San Rafael, California (the “**Taxable Booking Transactions**”).

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, PROMISES AND AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

(A) Solely pursuant to the terms and conditions of this Agreement, including only for periods in which this Agreement is effective (defined below), and solely for Taxable Booking Transactions completed on the Platform by Hosts other than those defined in Paragraphs (E) and (E-1) below, Airbnb agrees contractually to assume the duties of a Taxes collector as described in the Code solely for the collection and remittance of Taxes on behalf of such Hosts (hereinafter referred to as a “**Collector**”).

(B) Starting on \_\_\_\_\_, 2019 (the “**Effective Date**”), Airbnb agrees to commence collecting and remitting Taxes on behalf of certain Hosts, pursuant to the terms of this Agreement, at the applicable rate, on Taxable Booking Transactions. Except as set forth in Paragraph (L) below, Airbnb shall not assume any obligation or liability to collect Taxes for any period or for any transaction prior to the Effective Date or after termination of this Agreement.

(C) Except as set forth in Paragraph (E) below, Airbnb agrees to register as a Collector on behalf of Hosts for the sole purpose of reporting, collection and remittance of Taxes under this Agreement, and will be the registered Collector on behalf of any affiliate or subsidiary collecting Taxes. The assumption of such duties described in Paragraph (A) above and this Paragraph (C) shall not trigger any other registration requirements to which Airbnb is not otherwise subject.

#### **REMITTANCE OF TAXES**

(D) Airbnb agrees reasonably to report aggregate information on the tax return form prescribed by the Taxing Jurisdiction, including an aggregate of gross receipts, exemptions and adjustments, and taxable receipts of all Taxes that are subject to the provisions of this Agreement. Airbnb shall remit all Taxes collected from Guests in accordance with this Agreement and Airbnb's Terms of Service ([www.airbnb.com](http://www.airbnb.com)) (the "TOS") in the time and manner described in the Code or as otherwise agreed to in writing.

#### **REGISTERED HOSTS**

(E) Airbnb reserves the right to implement a software feature on the Platform whereby Airbnb collects Taxes based on tax information supplied by the Host, and remits such Taxes to Hosts for ultimate reporting and remittance by the Host to the Taxing Jurisdiction. In such cases, a Host must provide to Airbnb its (i) applicable Tax identification or registration number; (ii) applicable business identification number; and (iii) acknowledgement of its obligation to collect all Taxes owed on a Host's Taxable Booking Transactions and to remit and report any Taxes collected directly to the Taxing Jurisdiction (a "**Registered Host**"). Upon request from the Taxing Jurisdiction, and not more than once per consecutive twelve-month period, Airbnb may provide the Taxing Jurisdiction with copies of documentation related to Registered Hosts.

(E-1) Airbnb satisfies its obligations under this Agreement by remitting the full amount of Taxes collected on behalf of Hosts to the Taxing Jurisdiction, and in the case of Registered Hosts only, by remitting the Taxes collected on a Registered Host's Taxable Booking Transactions directly to the Registered Host.

#### **AIRBNB LIABILITY**

(F) Pursuant to the terms of this Agreement, Airbnb agrees contractually to assume liability for any failure to report, collect and/or remit the correct amount of Taxes, including, but not limited to, penalties and interest, lawfully and properly imposed in compliance with the Code. Nothing contained herein nor any action taken pursuant to this Agreement shall impair,

restrict or prevent Airbnb from asserting that any Taxes and/or penalties, interest, fines or other amounts assessed against it were not due or are the subject of a claim for refund under applicable law, or otherwise bar it from enforcing any rights accorded by law. Notwithstanding the above and solely with respect to Registered Hosts, Airbnb does not assume any liability for the failure of a Registered Host to comply with any applicable collection, reporting or remittance obligations related to Taxable Booking Transactions. Further, Airbnb does not assume any liability for collection based on information supplied by the Registered Host.

### **AUDIT**

(G) During any period for which Airbnb is not in breach of its obligations under this Agreement, the Taxing Jurisdiction agrees to audit Airbnb on the basis of Tax returns filed and supporting documentation. The Taxing Jurisdiction reserves the right to audit any individual Host for activity that has been brought to the attention of the Taxing Jurisdiction in the form of a complaint or other means independent of this Agreement or independent of data or information provided pursuant to this Agreement.

(H) The Taxing Jurisdiction agrees to audit Airbnb on an anonymized transaction basis for Taxable Booking Transactions. Except as otherwise agreed herein, Airbnb shall not be required to produce any personally identifiable information relating to any Host or Guest or relating to any Taxable Booking Transaction without binding legal process served only after completion of an audit by the Taxing Jurisdiction of Airbnb with respect to such users. The parties agree to utilize appropriate sampling audit methodologies based on a standard sample period which may be projected against the remainder of any periods open under the applicable statute of limitations, unless Airbnb elects, at its sole discretion, to undergo further audit of such open periods by the Taxing Jurisdiction.

### **GUEST AND HOST LIABILITY**

(I) During any period in which this Agreement is effective, and provided Airbnb is in compliance with its obligations herein, Hosts shall be relieved of any obligation to collect and remit Taxes on Taxable Booking Transactions, and shall be permitted but not required to register individually with the Taxing Jurisdiction to collect, remit and/or report Taxes. Notwithstanding the above, Registered Hosts will be solely responsible for directly remitting Taxes collected on Taxable Booking Transactions to the Taxing Jurisdiction. Nothing in this Agreement shall relieve Guests or Hosts from any responsibilities with respect to Taxes for transactions

completed other than on the Platform, or restrict the Taxing Jurisdiction from investigating or enforcing any provision of applicable law against such users for such transactions.

#### **WAIVER OF LOOK-BACK**

(J) The Taxing Jurisdiction expressly releases, acquits, waives and forever discharges Airbnb, its current or past affiliated parent or subsidiary companies, directors, shareholders, investors, employees and other agents from any and all actions, causes of action, indebtedness, suits, damages or claims arising out of or relating to payment of and/or collection of Taxes or other tax indebtedness, including but not limited to penalties, fines, interest or other payments relating to Taxes on any Taxable Booking Transactions prior to the Effective Date. Nothing contained in this Paragraph of this Agreement will constitute a release or waiver of any claim, cause of action or indebtedness that the Taxing Jurisdiction may have or claim to have against any Host or Guest unrelated to Taxable Booking Transactions under this Agreement.

#### **NOTIFICATION TO GUESTS AND HOSTS**

(K) Airbnb agrees, for the purposes of facilitating this Agreement, and as required by its TOS, that, except with respect to Registered Hosts, it will notify (i) Hosts that Taxes will be collected and remitted to the Taxing Jurisdiction as of the Effective Date pursuant to the terms of this Agreement; and (ii) Guests and Hosts of the amount of Taxes collected and remitted on each Taxable Booking Transaction.

#### **LIMITATION OF APPLICATION**

(L) This Agreement is solely for the purpose of facilitating the administration and collection of the Taxes with respect to Taxable Booking Transactions and, except with respect to the rights and liabilities set forth herein, the execution of or actions taken under this Agreement shall not be considered an admission of law or fact or constitute evidence thereof under the Code or any other provisions of the laws of the United States of America or of any State or subdivision or municipality thereof. Neither Party waives, and each Party expressly preserves, any and all arguments, contentions, claims, causes of action, defenses or assertions relating to the validity or interpretation or applicability of the Code, regulations or application of law.

(L-1) If Airbnb expands the types of transactions that may be completed by Hosts and Guests on the Platform to include additional taxable services or products located in San Rafael, California, and Airbnb decides in its sole discretion to collect and remit any applicable taxes with respect to such transactions on behalf of Hosts and/or Guests, Airbnb agrees to provide

reasonable notice to the Taxing Jurisdiction regarding the collection and remittance of such taxes.

#### **DURATION/TERMINATION**

(M) This Agreement may be terminated by Airbnb or the Taxing Jurisdiction for convenience on 30-day written notification to the other Party. Such termination will be effective on the first day of the calendar month following the 30-day written notification to the other Party. Any termination under this Paragraph shall not affect the duty of Airbnb to remit to the Taxing Jurisdiction any Taxes collected from Guests up through and including the effective date of termination of this Agreement, even if not remitted by Airbnb to the Taxing Jurisdiction as of the effective date of termination.

#### **MISCELLANEOUS**

(N) CHOICE OF LAW. This Agreement, its construction and any and all disputes arising out of or relating to it, shall be interpreted in accordance with the substantive laws of the State of California without regard to its conflict of law principles.

(O) MODIFICATION. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by both Parties.

(P) MERGER AND INTEGRATION. This Agreement contains the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements and understandings with respect thereto.

(Q) COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. The Agreement shall become effective when a counterpart has been signed by each Party and delivered to the other Party, in its original form or by electronic mail, facsimile or other electronic means. The Parties hereby consent to the use of electronic signatures in connection with the execution of this Agreement, and further agree that electronic signatures to this Agreement shall be legally binding with the same force and effect as manually executed signatures.

(R) RELATIONSHIP OF THE PARTIES. The Parties are entering into an arm's-length transaction and do not have any relationship, employment or otherwise. This Agreement does not create nor is it intended to create a partnership, franchise, joint venture, agency, or

employment relationship between the Parties. There are no third-party beneficiaries to this Agreement.

(S) WAIVER AND CUMULATIVE REMEDIES. No failure or delay by either Party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a Party at law or in equity.

(T) FORCE MAJEURE. Neither Party shall be liable for any failure or delay in performance under this Agreement for causes beyond that Party's reasonable control and occurring without that Party's fault or negligence, including, but not limited to, acts of God, acts of government, flood, fire, civil unrest, acts of terror, strikes or other labor problems (other than those involving Airbnb employees), computer attacks or malicious acts, such as attacks on or through the Internet, any Internet service provider, telecommunications or hosting facility. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

(U) ASSIGNMENT. Neither Party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other Party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, Airbnb may assign this Agreement in its entirety without consent of the other Party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets.

(V) MISCELLANEOUS. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect.

#### **NOTICES**

(W) All notices under this Agreement shall be in writing and shall be deemed to have been given upon: (i) personal delivery; (ii) the third business day after first class mailing postage prepaid; or (iii) the second business day after sending by overnight mail or by facsimile with telephonic confirmation of receipt. Notices shall be addressed to the attention of the following persons, provided each Party may modify the authorized recipients by providing written notice to the other Party:



To Airbnb:

Airbnb, Inc.  
Attn: General Counsel  
888 Brannan Street, 4<sup>th</sup> Fl.  
SF, CA 94103  
[legal@airbnb.com](mailto:legal@airbnb.com)

Airbnb, Inc.  
Attn: Global Head of Tax  
888 Brannan Street, 4<sup>th</sup> Fl.  
SF, CA 94103  
[tax@airbnb.com](mailto:tax@airbnb.com)

To the Taxing Jurisdiction:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**(Signatures follow on next page)**

*IN WITNESS WHEREOF*, Airbnb and the Taxing Jurisdiction have executed this Agreement effective on the date set forth in the introductory clause.

**AIRBNB, INC.**, a Delaware corporation

By: \_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Name and Title of Authorized Representative

**CITY OF SAN RAFAEL, CALIFORNIA**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title



**SAN RAFAEL**

THE CITY WITH A MISSION

# Short Term Rental Community Survey Findings

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Short Term Rental Community Meeting  
May 29 & 30, 2019

# Agenda

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1. Background
2. Survey Results
  - a) Overall Findings
  - b) Short Term Rental Hosts
  - c) Deep Dive
3. “Straw-man” Proposal
4. Feedback
5. Next Steps



## Short Term Rental Community Meeting

May 29 & 30, 2019

**Background**

# Background

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Jan. 4, 2016- Council ask Staff to begin monitoring STR activity as part of JDU ordinance review

Aug. 20, 2018- Staff provides Housing Report to City Council. Council directs staff to return with informational report on STRs.

Today- San Rafael does not prohibit, regulate, tax or enforce STRs.

June 10, 2016- Staff enters into contract with Host Compliance to provide the following STR monitoring services:

- Trend Monitoring;
- Address Identification

Feb. 19, 2019- Staff provides STR Informational Report to City Council. Council directs staff to conduct additional outreach and further analyze STRs regulation.

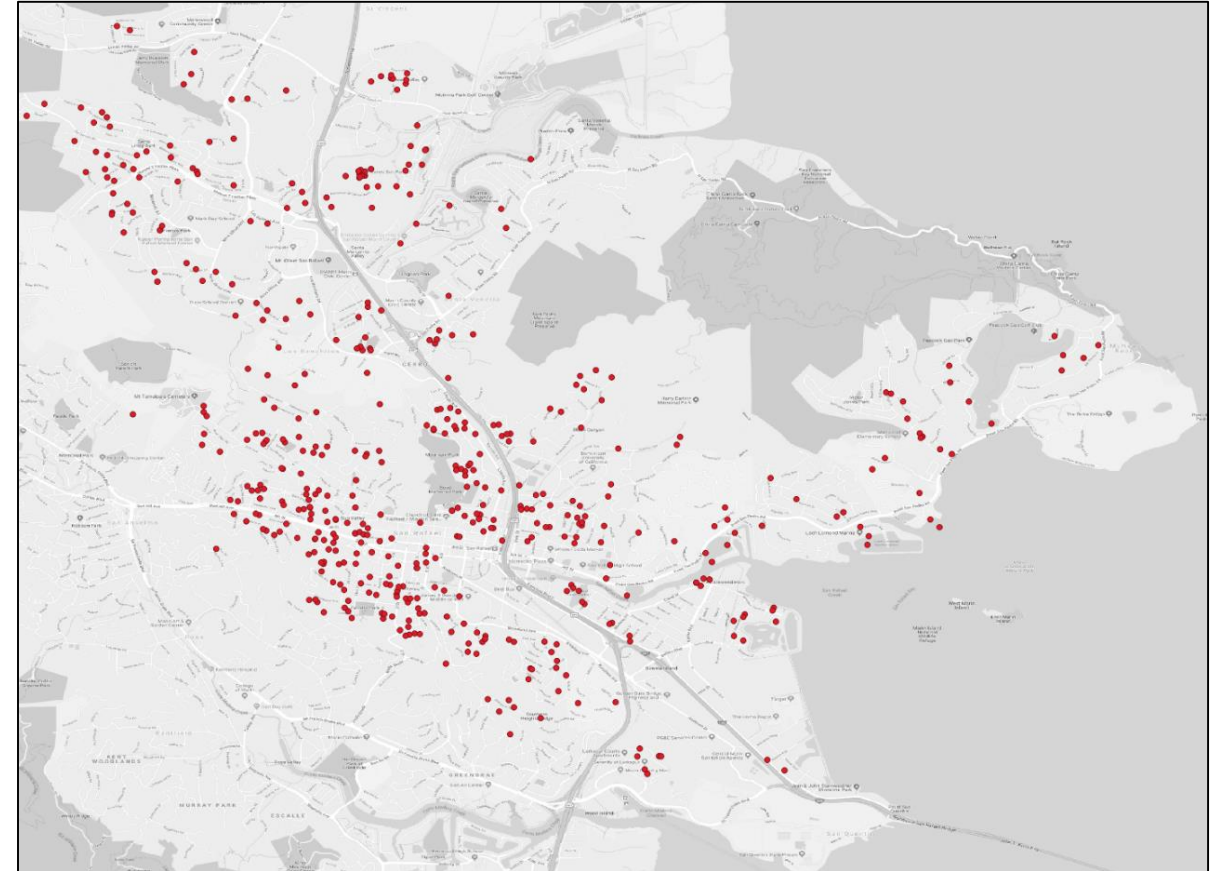


## Short Term Rental Community Meeting

May 29 & 30, 2019

# Existing Conditions

- ~286 Active Listings in 2018:
  - Increase from 150 active listings when monitoring first began in 2016.
  - 3-Bedroom Single Family Homes are the largest “host-described” property type (75-listings);
- Distributed relatively equally geographical across city:
  - Slight concentrations in West End, Gerstle Park, and Dominican neighborhoods.
- Over the last three years, the City has received less than a dozen STR related complaints.



**Short Term Rental Community Meeting**

May 29 & 30, 2019

# 2.19 Staff Report Analysis

Low Estimate									
Option	Revenue			Expenditures		Annual Balance			
	Year 1- Fees	Ongoing- Fees	TOT	Year 1	Ongoing	Year 1		Ongoing	
						With Fees Collected*	No Fees Collected (TOT Only)	With Fees Collected*	No Fees Collected (TOT Only)
1) Status Quo	\$0	\$0	\$0	\$0	\$5,130	\$0	\$0	-\$5,130	-\$5,130
2) Minimal Enforcement	\$34,907	\$26,576	\$18,051	\$34,907	\$26,576	\$18,051	-\$16,856	\$18,051	-\$8,525
3) STR Ban	\$0	\$0	\$0	\$60,835	\$46,948	-\$60,835	-\$60,835	-\$46,948	-\$46,948
Mean Estimate									
Option	Revenue			Expenditures		Annual Balance			
	Year 1- Fees	Ongoing- Fees	TOT	Year 1	Ongoing	Year 1		Ongoing	
						With Fees Collected*	No Fees Collected (TOT Only)	With Fees Collected*	No Fees Collected (TOT Only)
1) Status Quo	\$0	\$0	\$0	\$0	\$5,130	\$0	\$0	-\$5,130	-\$5,130
2) Minimal Enforcement	\$34,907	\$26,576	\$39,738	\$34,907	\$26,576	\$39,738	\$4,831	\$39,738	\$13,163
3) STR Ban	\$0	\$0	\$0	\$60,835	\$46,948	-\$60,835	-\$60,835	-\$46,948	-\$46,948
High Estimate									
Option	Revenue			Expenditures		Annual Balance			
	Year 1- Fees	Ongoing- Fees	TOT	Year 1	Ongoing	Year 1		Ongoing	
						With Fees Collected*	No Fees Collected (TOT Only)	With Fees Collected*	No Fees Collected (TOT Only)
1) Status Quo	\$0	\$0	\$0	\$0	\$5,130	\$0	\$0	-\$5,130	-\$5,130
2) Minimal Enforcement	\$34,907	\$26,576	\$105,183	\$34,907	\$26,576	\$105,183	\$70,276	\$105,183	\$78,608
3) STR Ban	\$0	\$0	\$0	\$60,835	\$46,948	-\$60,835	-\$60,835	-\$46,948	-\$46,948

\* Program fees are calculated as cost-recovering for program expenses. If fees are collected, Year 1 and Ongoing program balances would be the same as they reflect the TOT Revenue collected that year.

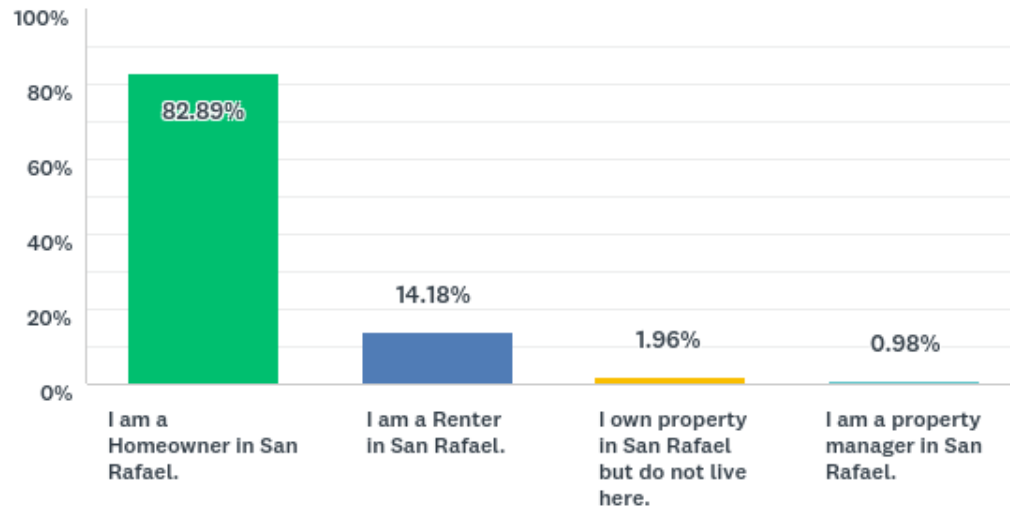


# Community Survey: Overall Findings

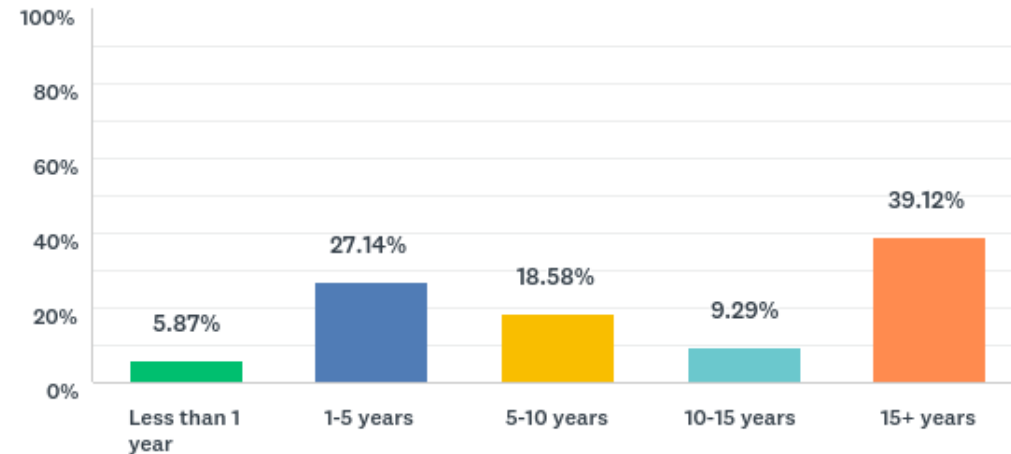
# Who took the survey?

Answered: 409 Skipped: 0

## Q1 Which option best describes you?



## Q2 How long have you lived in your current home?

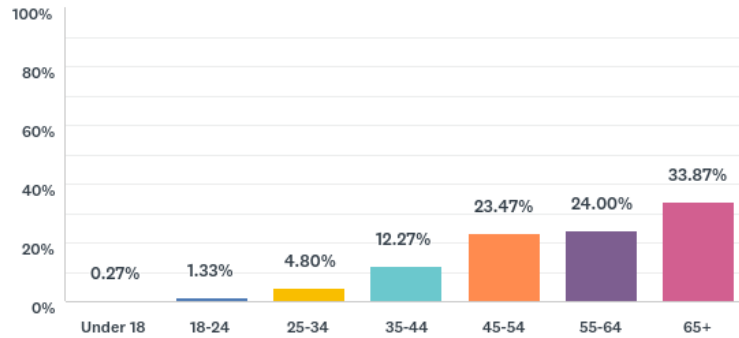


## Short Term Rental Community Meeting

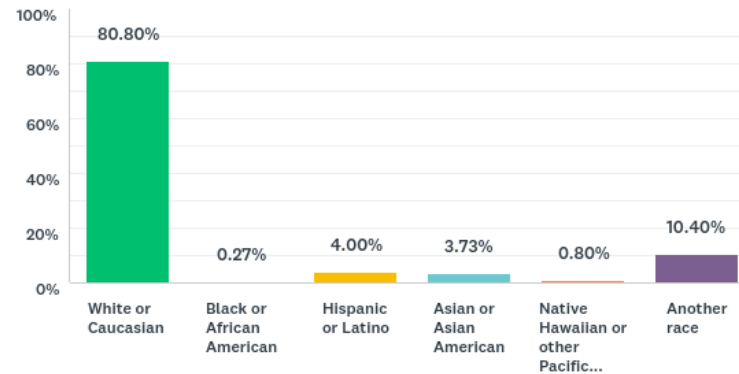
May 29 & 30, 2019

# Who took the survey?

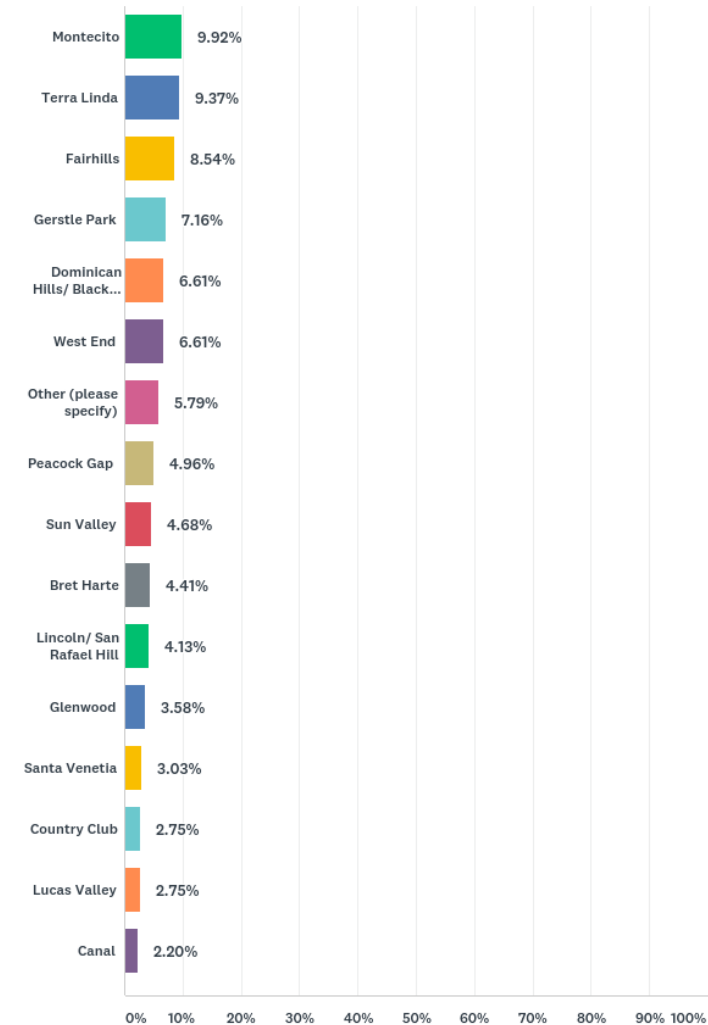
Q21 What is your age?



Q20 What is your race?



Q23 If yes, which San Rafael neighborhood do you live in?

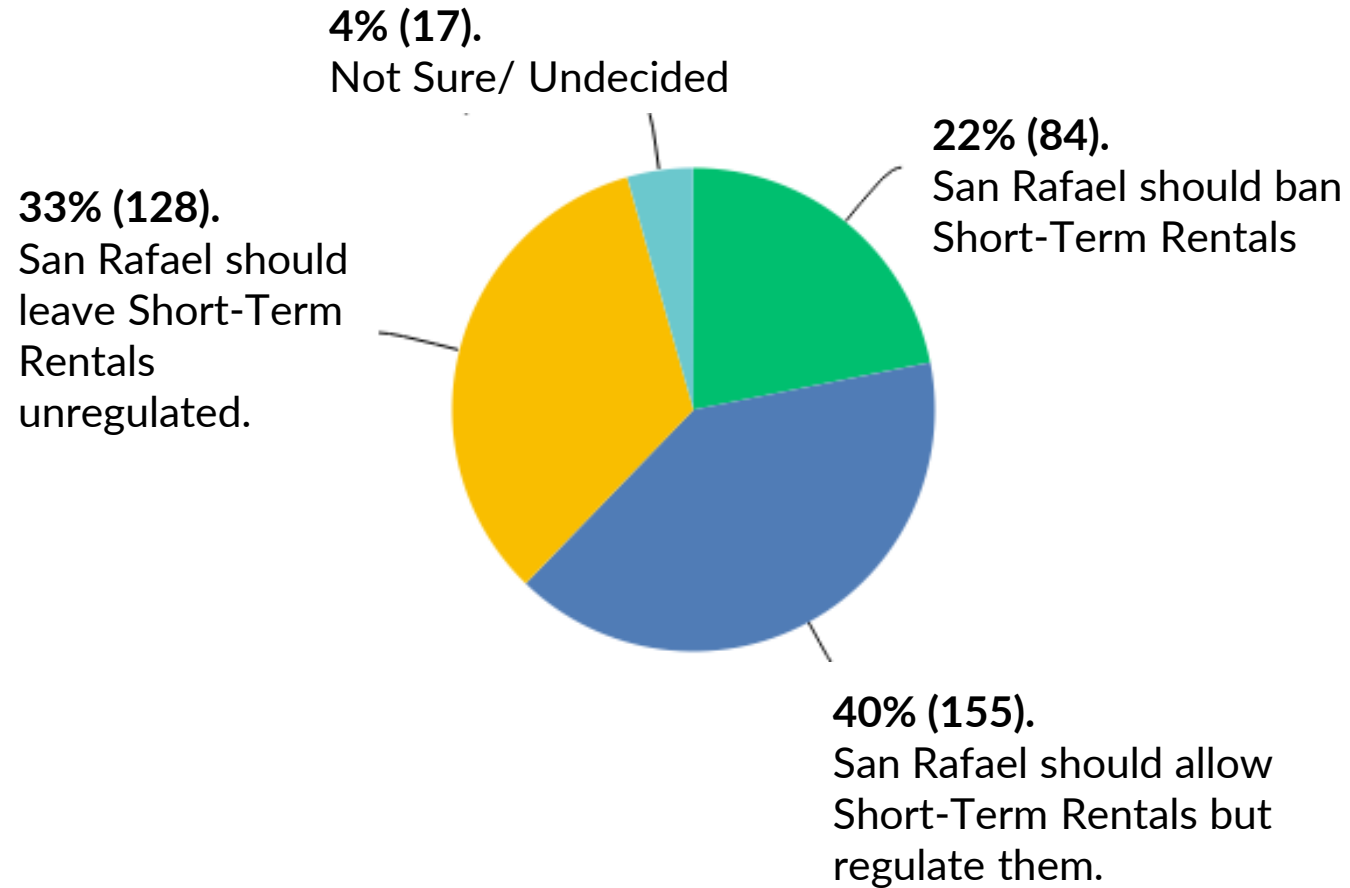


## Short Term Rental Community Meeting

May 29 & 30, 2019

# Overall Findings

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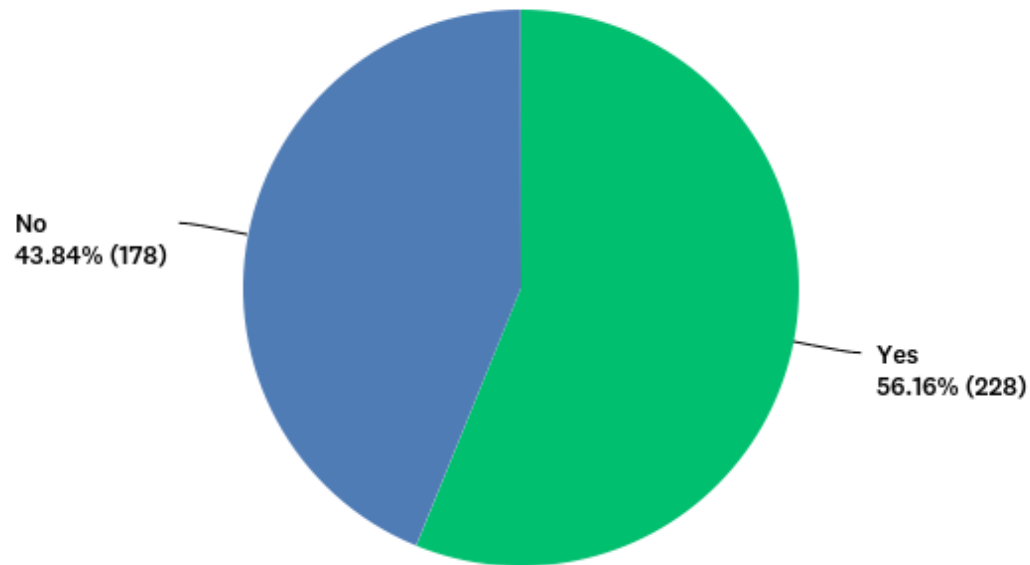
## Short Term Rental Community Meeting

May 29 & 30, 2019

# Overall Findings

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Are you aware of any Short-Term Rentals in your neighborhood?

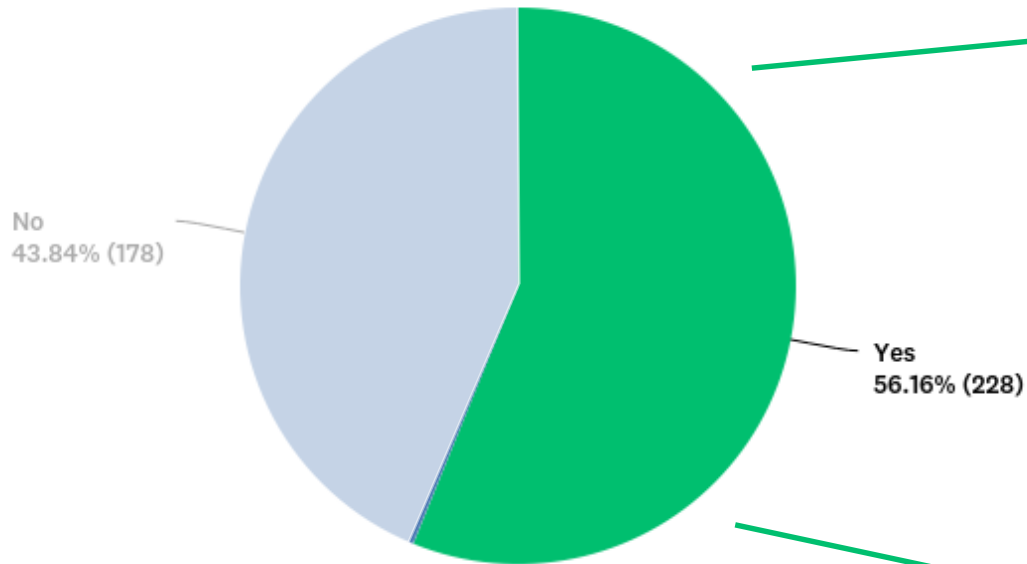


**Short Term Rental Community Meeting**

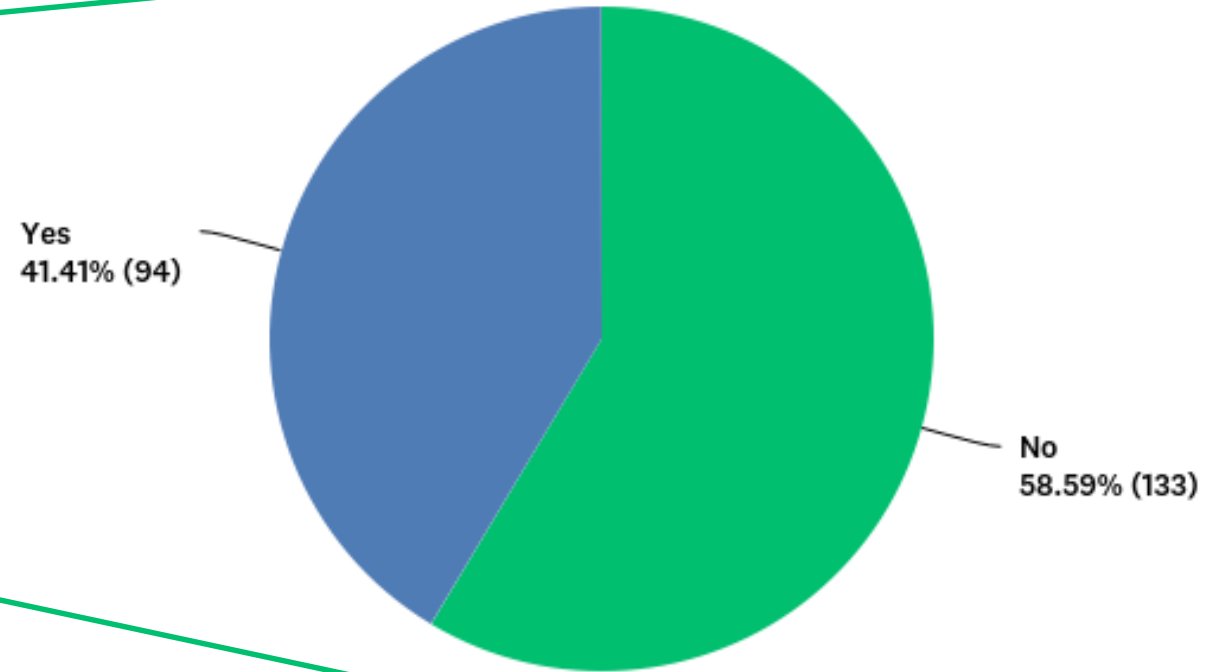
May 29 & 30, 2019

# Overall Findings

Are you aware of any Short-Term Rentals in your neighborhood?



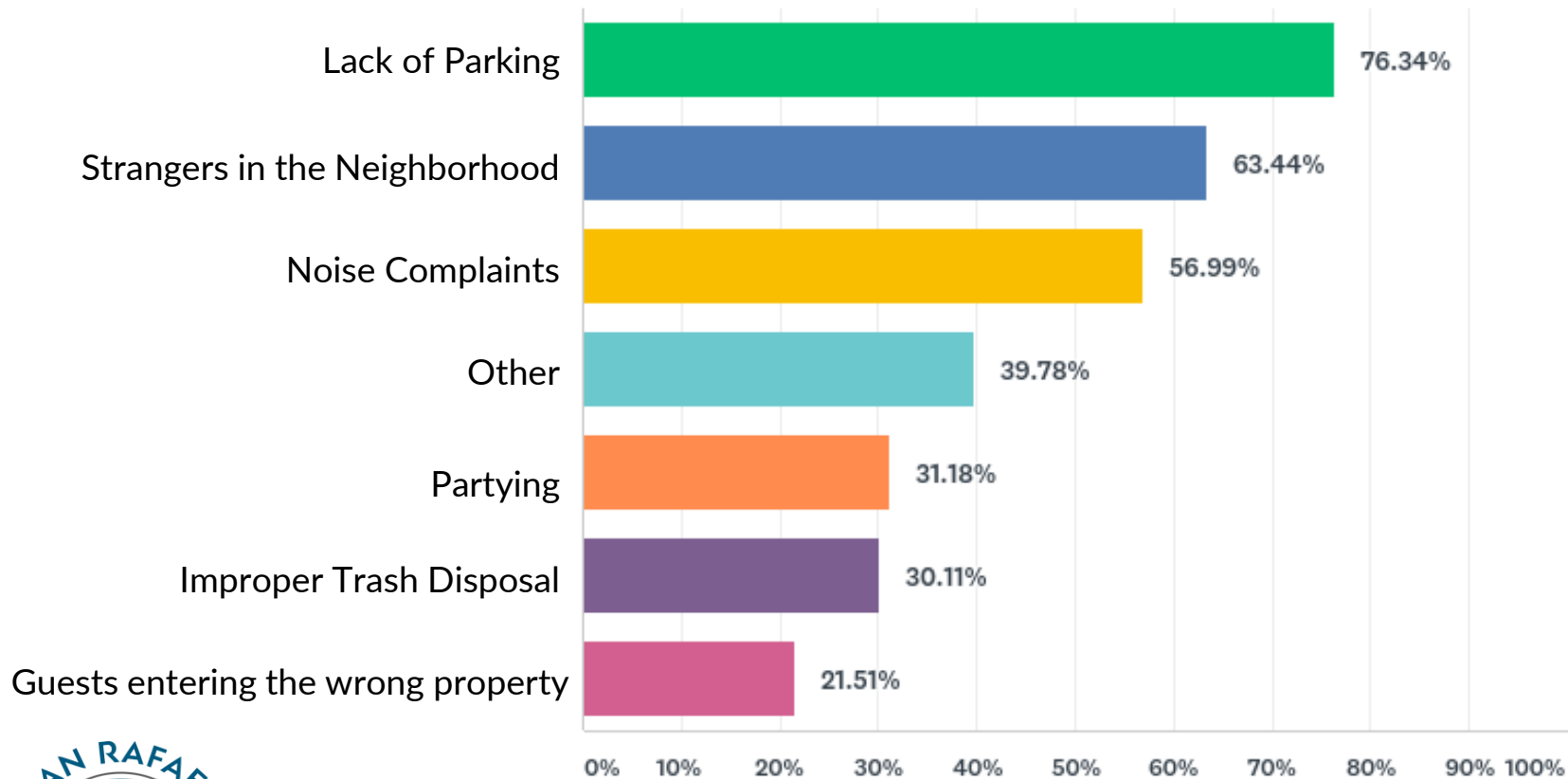
If yes, have the Short-Term Rentals caused any problems?



**Short Term Rental Community Meeting**

May 29 & 30, 2019

# Overall Findings



If yes, please choose the option(s) below that best describes the problem.



**Short Term Rental Community Meeting**

May 29 & 30, 2019

# Overall Findings

How concerned are you about the following challenges related to Short-Term Rentals?

Impacts on Neighborhood Character

Party Houses

Parking

Noise

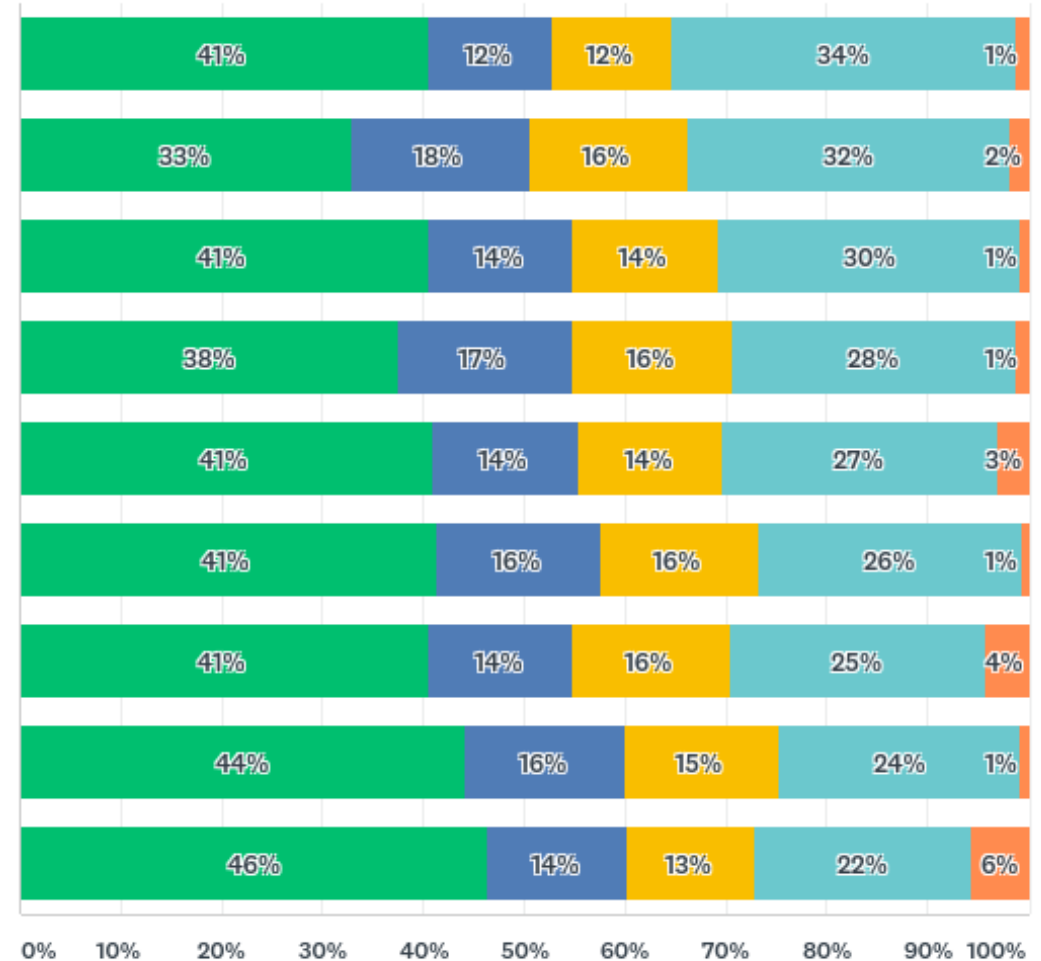
Loss of Long-Term Housing

Strangers in the Neighborhood

Resident Displacement

Personal Security

Increases in Housing Prices



## Short Term Rental Community Meeting

May 29 & 30, 2019





# Overall Findings

How concerned are you about the following challenges related to Short-Term Rentals?

Impacts on Neighborhood Character

Party Houses

Parking

Noise

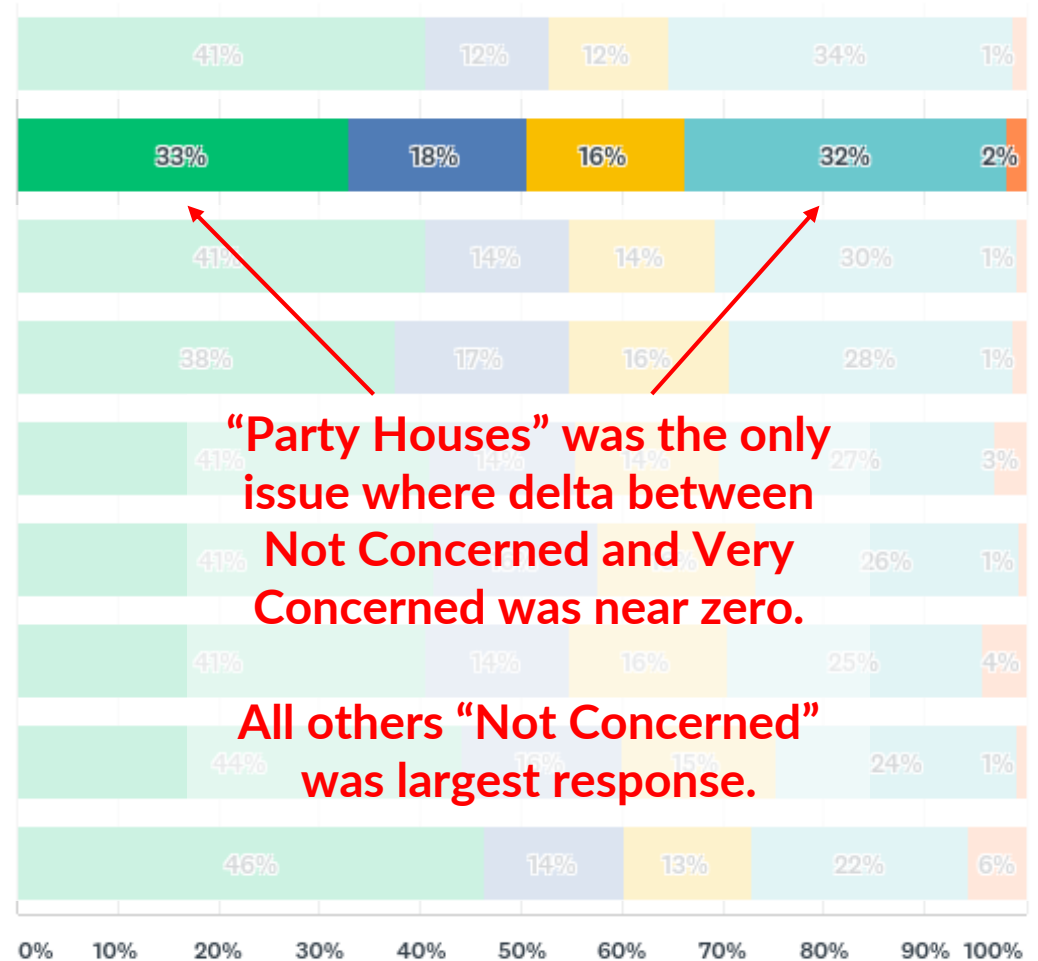
Loss of Long-Term Housing

Strangers in the Neighborhood

Resident Displacement

Personal Security

Increases in Housing Prices



**“Party Houses” was the only issue where delta between Not Concerned and Very Concerned was near zero.**

**All others “Not Concerned” was largest response.**



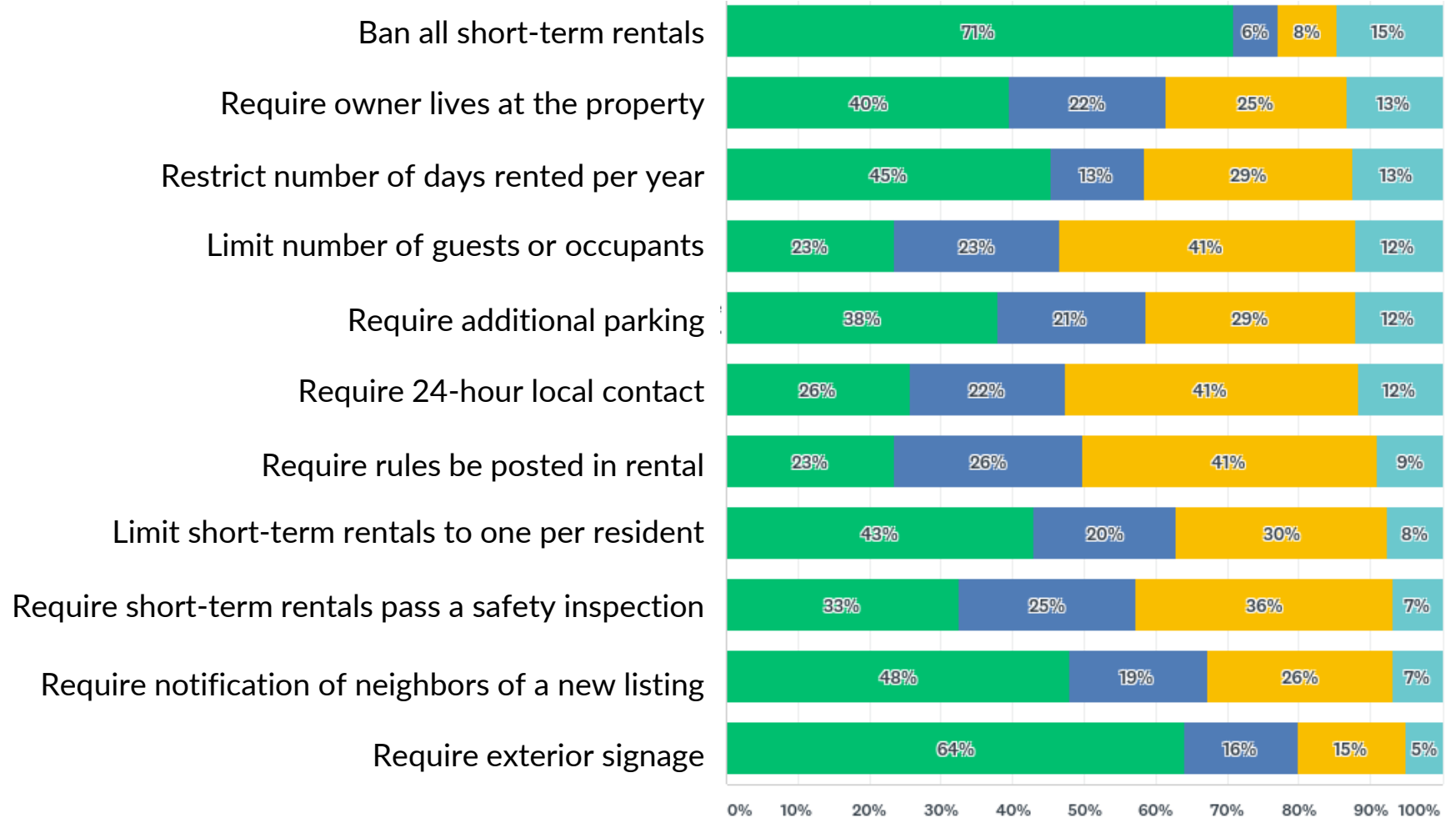
Short Term Rental Community Meeting

May 29 & 30, 2019



# Overall Findings

How would you prioritize the following Short-Term Rental regulations?



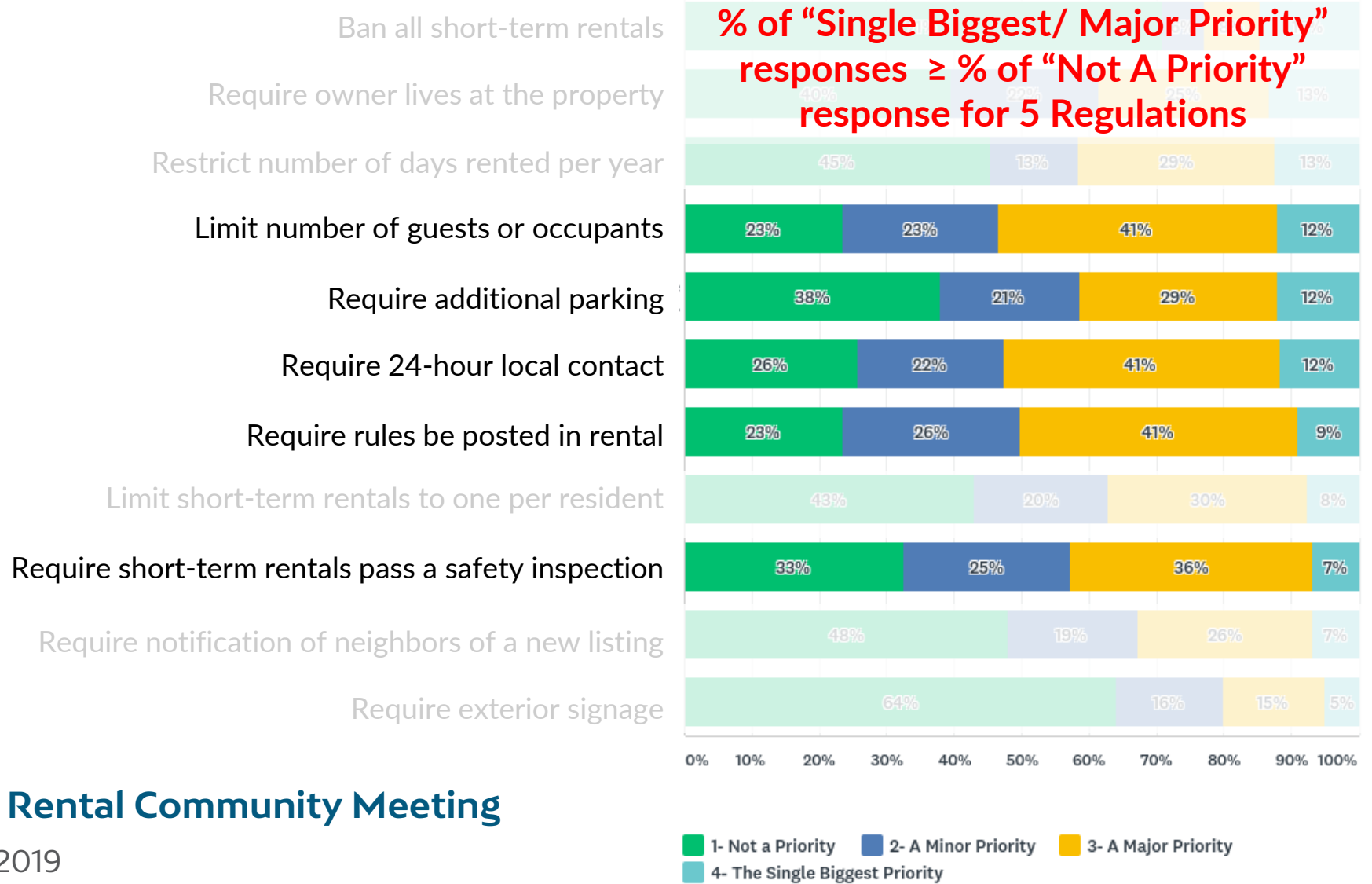
## Short Term Rental Community Meeting

May 29 & 30, 2019

■ 1- Not a Priority   
 ■ 2- A Minor Priority   
 ■ 3- A Major Priority   
 ■ 4- The Single Biggest Priority

# Overall Findings

How would you prioritize the following Short-Term Rental regulations?



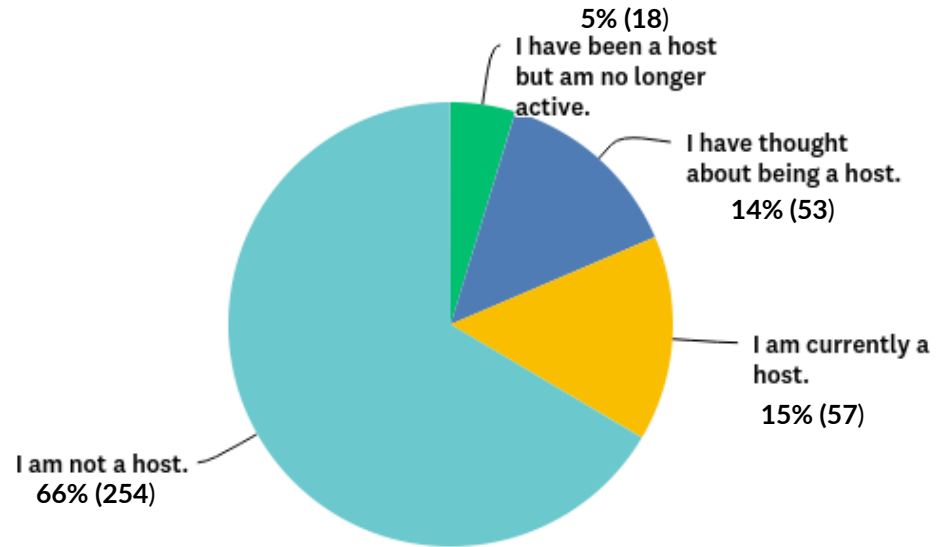
## Short Term Rental Community Meeting

May 29 & 30, 2019

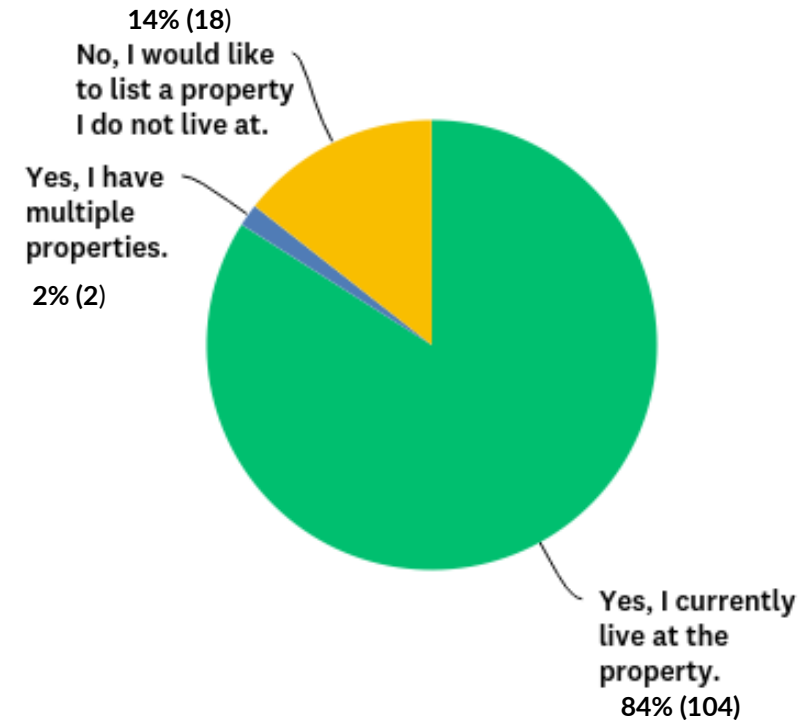
# Community Survey: Short-Term Rental Hosts

# Short-Term Rental Hosts

Have you ever been a Short-Term Rental Host?



Have you ever been a Short-Term Rental Host?

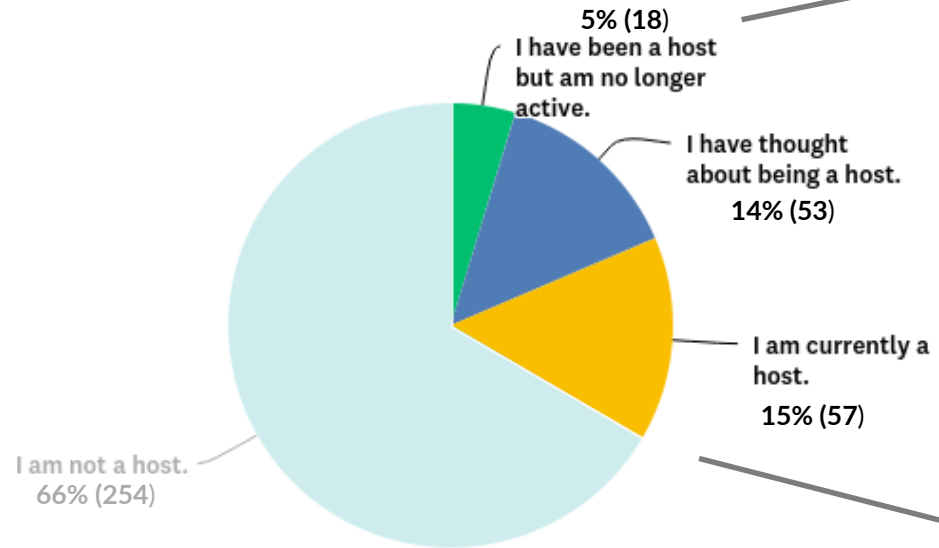


Short Term Rental Community Meeting

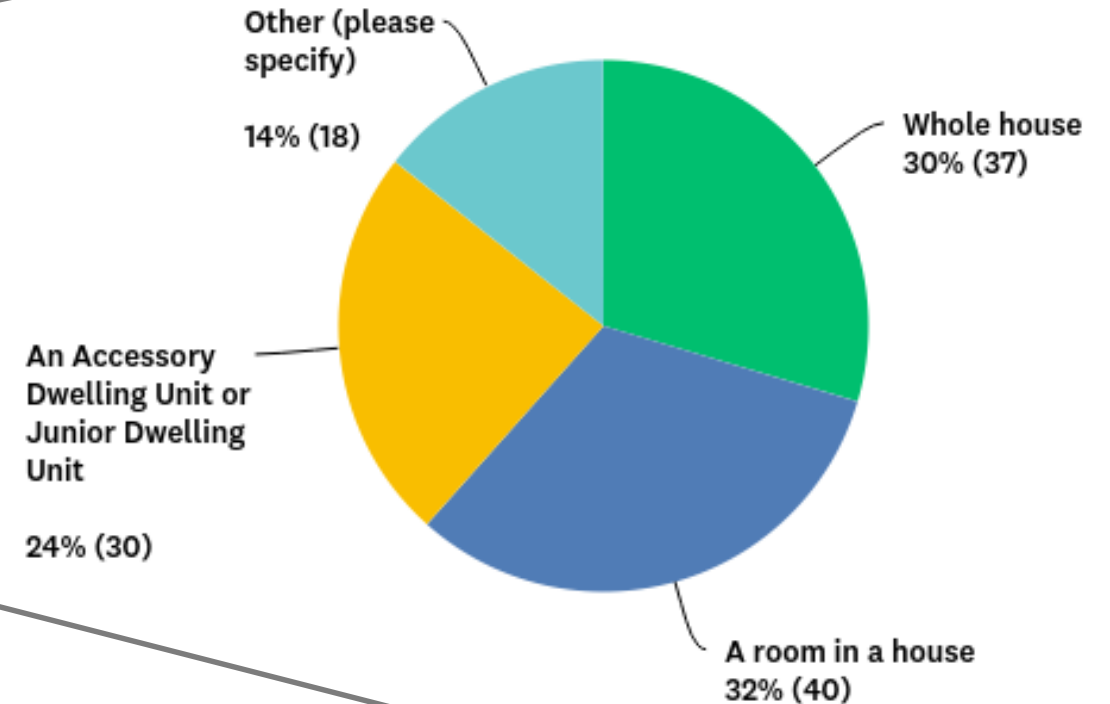
May 29 & 30, 2019

# Short-Term Rental Hosts

Have you ever been a Short-Term Rental Host?



Please select the type of listing you would host?

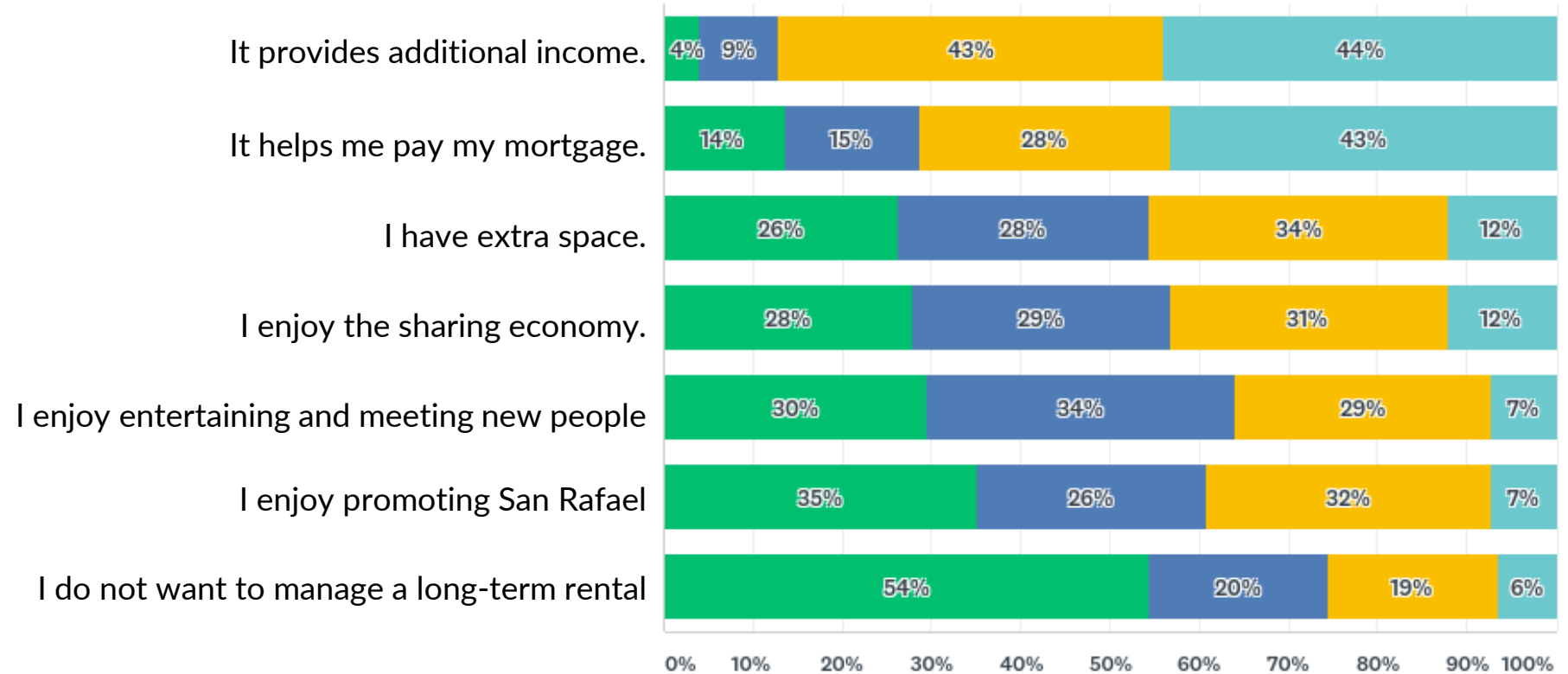


Short Term Rental Community Meeting

May 29 & 30, 2019

# Short-Term Rental Hosts

Why do you want to host a Short-Term Rental?



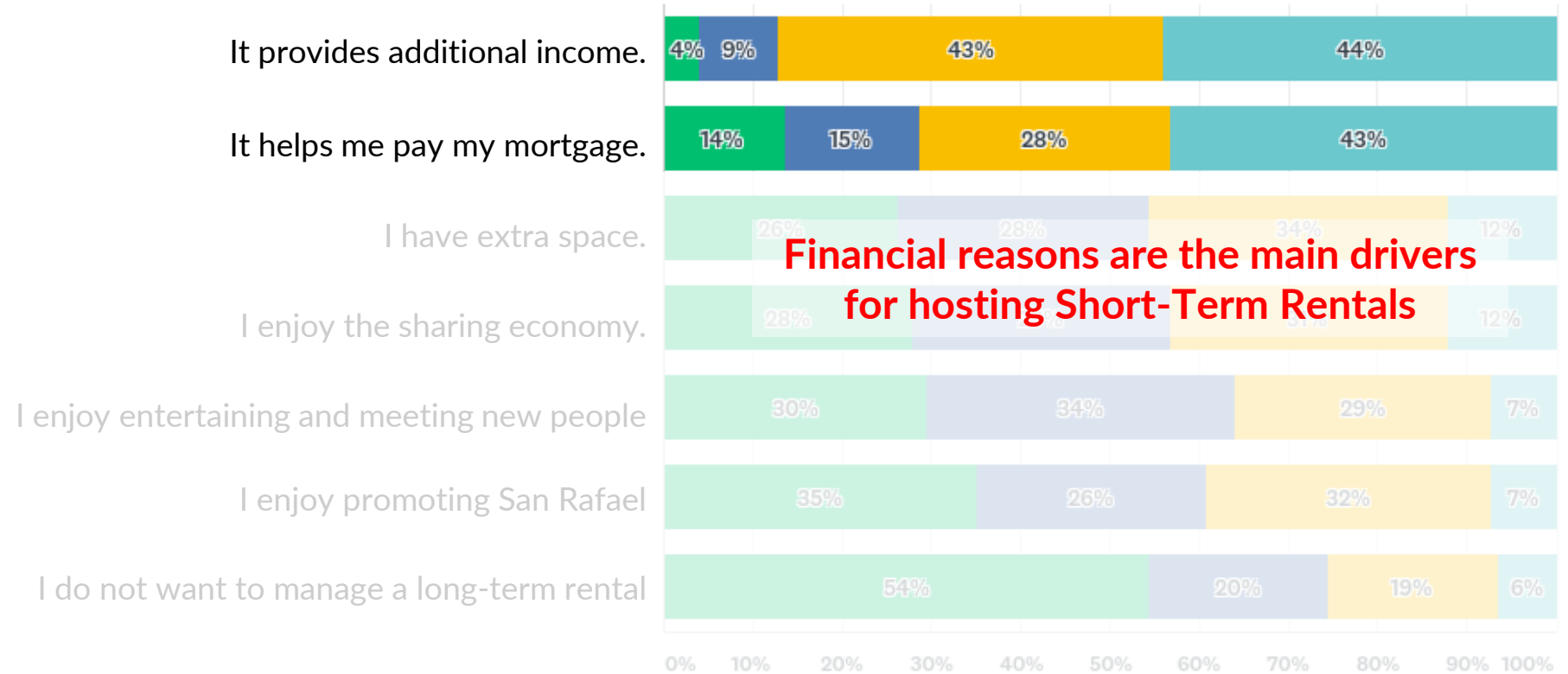
Short Term Rental Community Meeting

May 29 & 30, 2019

■ 1- Not a Reason   
 ■ 2- A Minor Reason   
 ■ 3- A Major Reason  
■ 4- The Single Biggest Reason

# Short-Term Rental Hosts

Why do you want to host a Short-Term Rental?



Short Term Rental Community Meeting

May 29 & 30, 2019

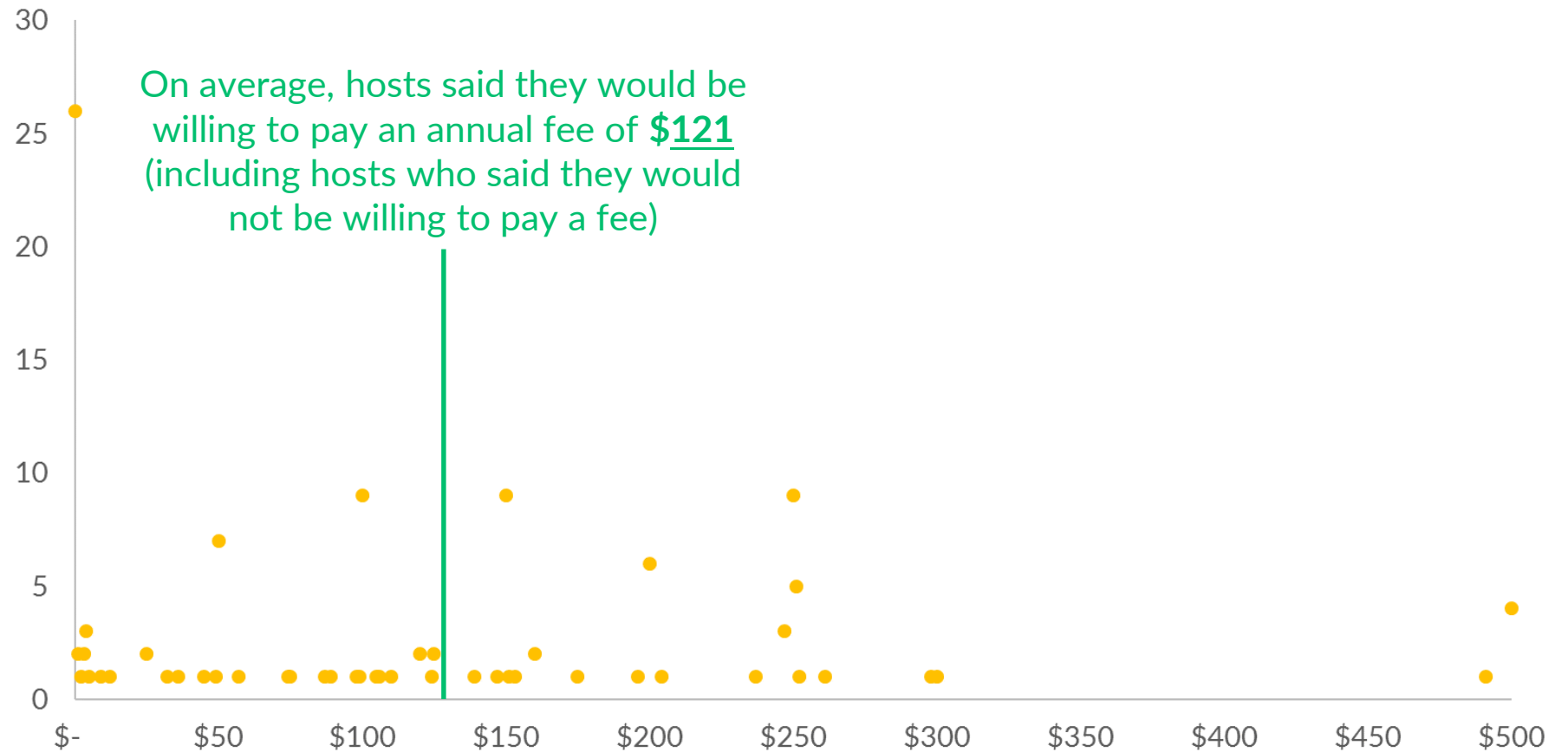
■ 1- Not a Reason   
 ■ 2- A Minor Reason   
 ■ 3- A Major Reason  
■ 4- The Single Biggest Reason





# Short-Term Rental Hosts

58% (73) of Hosts said they would be willing to pay an annual registration fee.



## Short Term Rental Community Meeting

May 29 & 30, 2019

# Community Survey: Non-Short-Term Rental Hosts

# Deep Dive: Non-Short-Term Rental Hosts

254 Respondents (66% of all responses)

How concerned are you about the following challenges related to Short-Term Rentals?

Impacts on Neighborhood Character

Party Houses

Parking

Noise

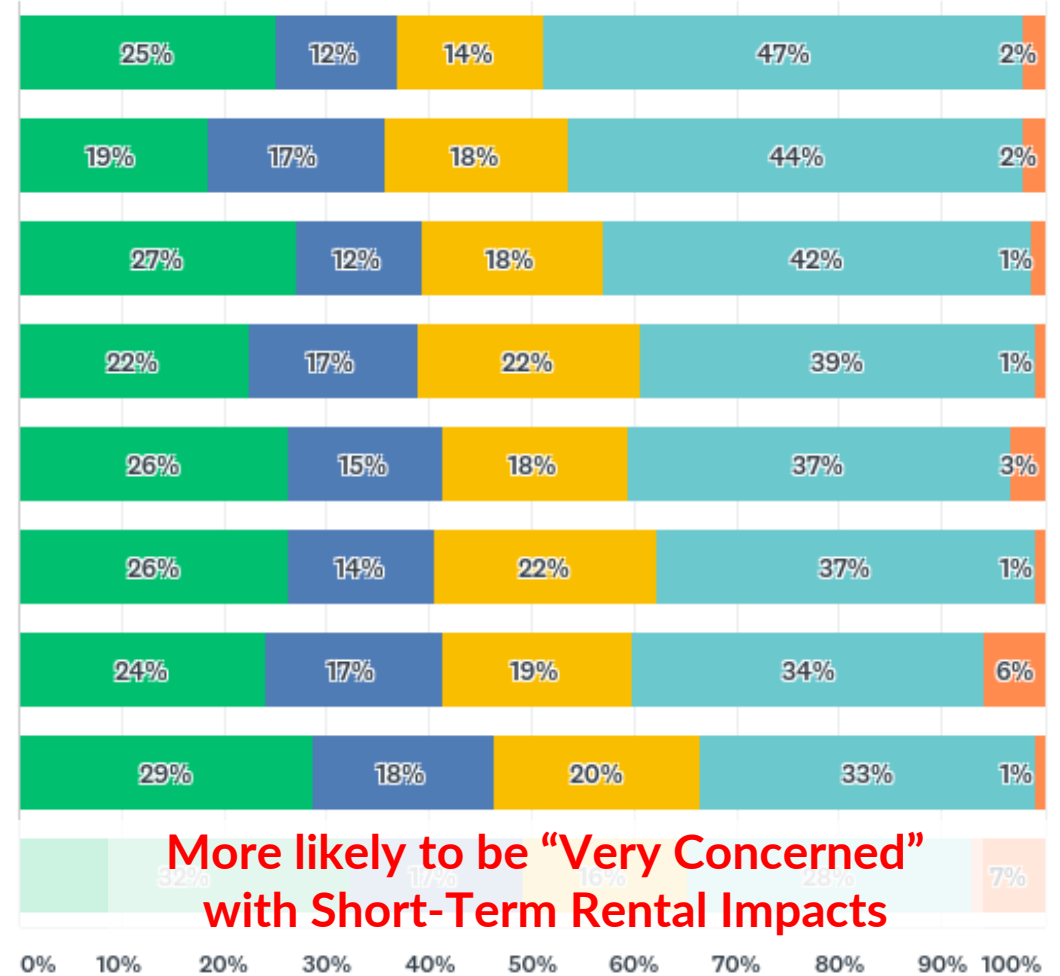
Loss of Long-Term Housing

Strangers in the Neighborhood

Resident Displacement

Personal Security

Increases in Housing Prices



More likely to be "Very Concerned" with Short-Term Rental Impacts



Short Term Rental Community Meeting

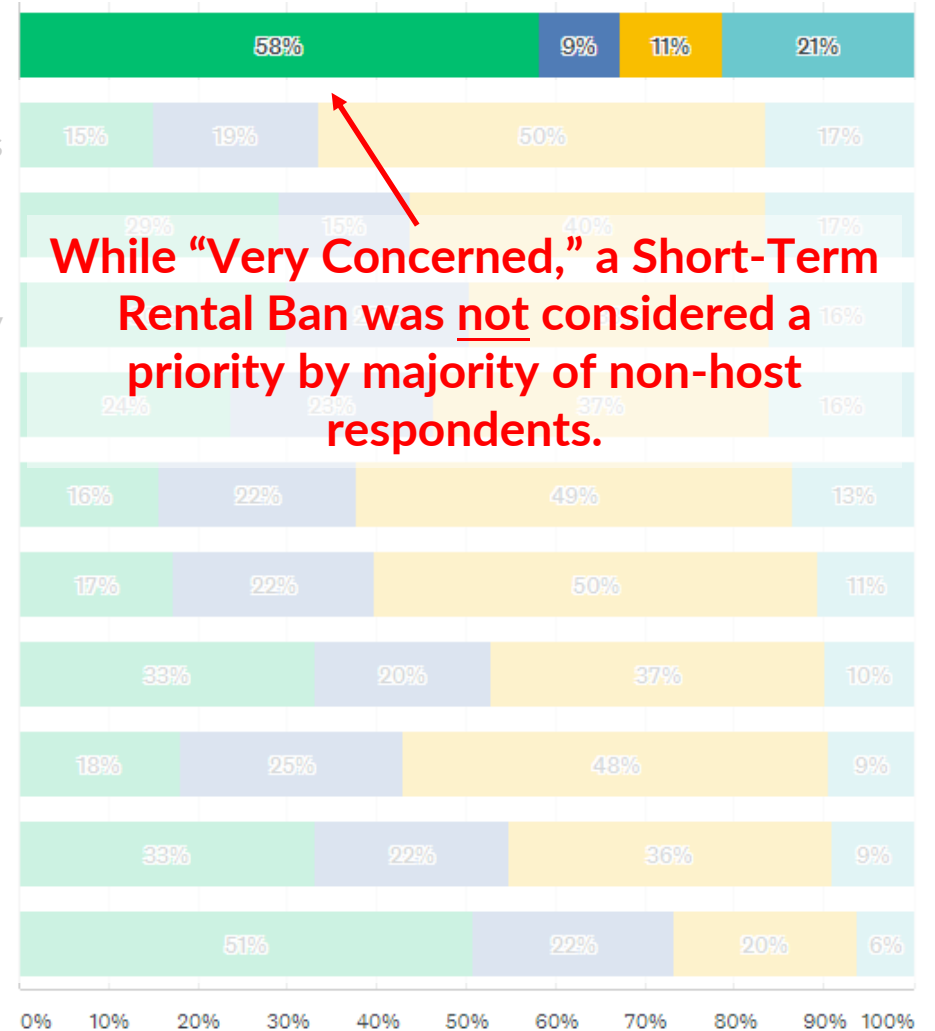
May 29 & 30, 2019



# Deep Dive: Non-Short-Term Rental Hosts

How would you prioritize the following Short-Term Rental regulations?

- Ban all short-term rentals
- Limit number of guests or occupants
- Restrict number of days rented per year
- Require owner lives at the property
- Require additional parking
- Require 24-hour local contact
- Require rules be posted in rental
- Limit short-term rentals to one per resident
- Require short-term rentals pass a safety inspection
- Require notification of neighbors of a new listing
- Require exterior signage



**While "Very Concerned," a Short-Term Rental Ban was not considered a priority by majority of non-host respondents.**



Short Term Rental Community Meeting

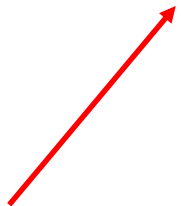
May 29 & 30, 2019

■ 1- Not a Priority  
 ■ 2- A Minor Priority  
 ■ 3- A Major Priority  
 ■ 4- The Single Biggest Priority

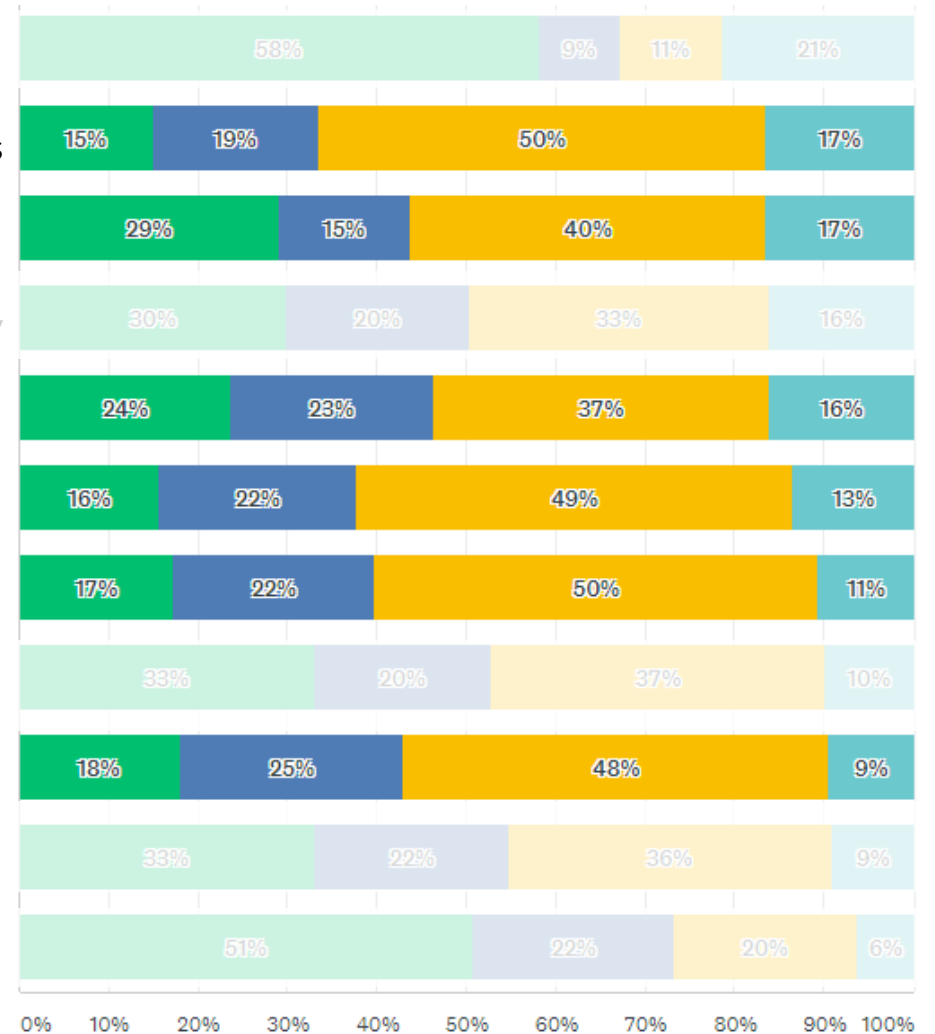
# Deep Dive: Non-Short-Term Rental Hosts

Instead similar regulations as survey overall were identified, only with higher priority...

...Number of days rented per year is the only new regulation considered a priority.



- Ban all short-term rentals
- Limit number of guests or occupants
- Restrict number of days rented per year
- Require owner lives at the property
- Require additional parking
- Require 24-hour local contact
- Require rules be posted in rental
- Limit short-term rentals to one per resident
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## Short Term Rental Community Meeting

May 29 & 30, 2019

1- Not a Priority    2- A Minor Priority    3- A Major Priority  
4- The Single Biggest Priority

# Deep Dive: Non-Short-Term Rental Hosts

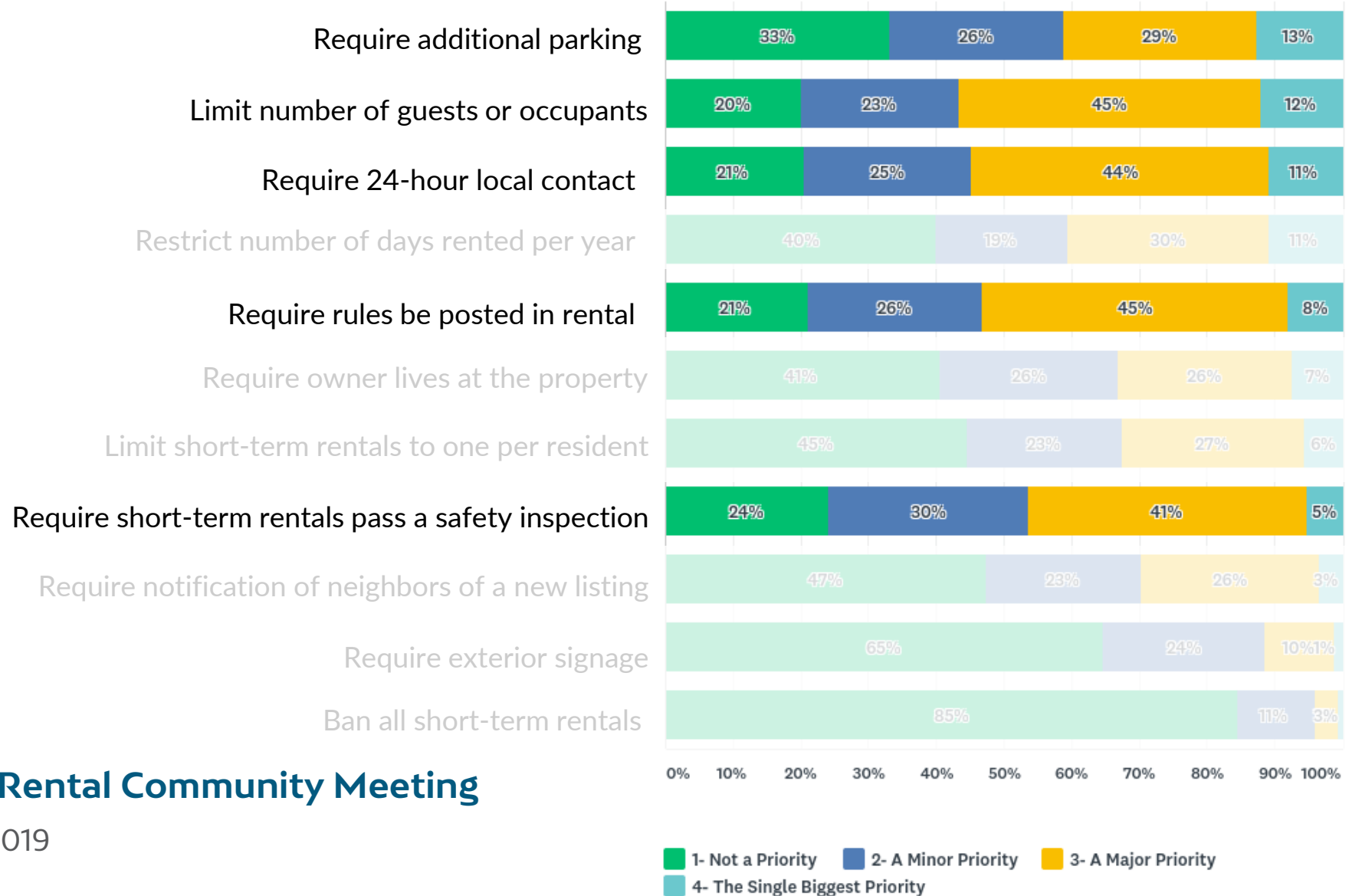
When non-host respondents who were supportive of a ban are removed...

...again, similar regulations as survey overall were identified, only with higher priority



## Short Term Rental Community Meeting

May 29 & 30, 2019



# Community Survey: Supportive of Ban

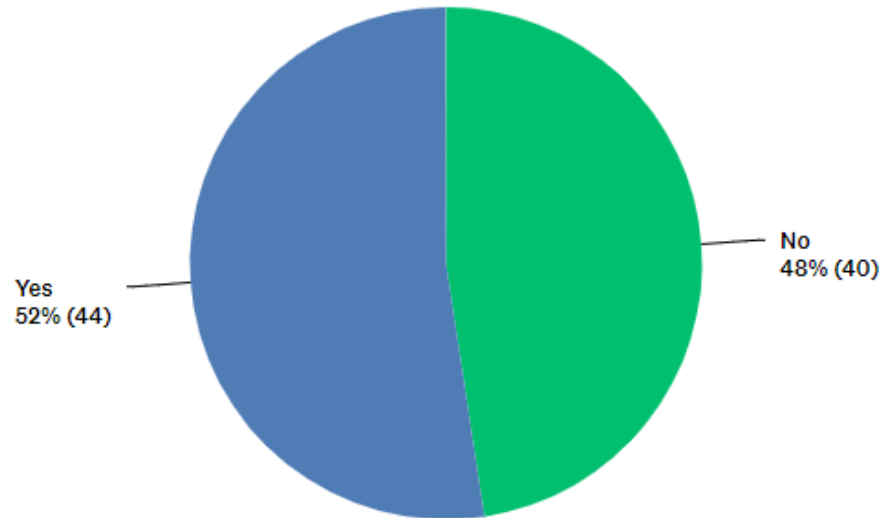


# Deep Dive: Supportive of Ban

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Are you aware of any Short-Term Rentals in your neighborhood?

**84 Respondents (22% of all responses)**



48% of respondents who said they were supportive of a Short-Term Rental Ban, were unaware of Short-Term Rentals in their neighborhood.



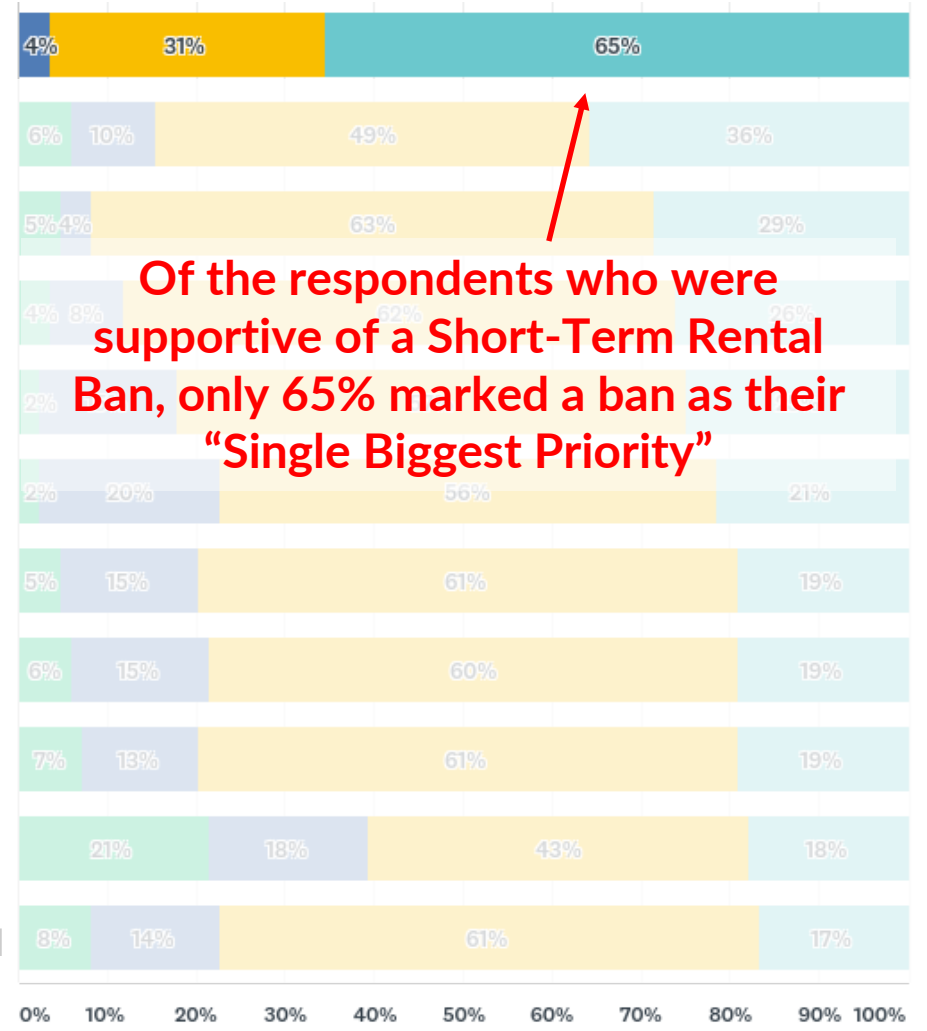
**Short Term Rental Community Meeting**

May 29 & 30, 2019

# Deep Dive: Supportive of Ban

How would you prioritize the following Short-Term Rental regulations?

- Ban all short-term rentals
- Require owner lives at the property
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- Require additional parking
- Require notification of neighbors of a new listing
- Require 24-hour local contact
- Require short-term rentals pass a safety inspection
- Limit short-term rentals to one per resident
- Require exterior signage
- Require rules be posted in rental



Of the respondents who were supportive of a Short-Term Rental Ban, only 65% marked a ban as their "Single Biggest Priority"



## Short Term Rental Community Meeting

May 29 & 30, 2019

■ 1- Not a Priority   
 ■ 2- A Minor Priority   
 ■ 3- A Major Priority   
 ■ 4- The Single Biggest Priority

# “Straw-Man” Proposal

# What is a “Straw-man” Proposal?

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A “Straw-man” Proposal is a **simple draft proposal intended to generate discussion of its disadvantages and to provoke the generation of new and better proposals.**



**Short Term Rental Community Meeting**

May 29 & 30, 2019

# Policy Proposal

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Policy Element	Description
<i>Occupancy Limits</i>	<p>Occupancy is restricted to two people per bedroom. Properties must also be able to provide the appropriate off-street parking spaces for the occupancy they are providing.</p> <p><i>Ex. a studio and 1-bedroom could allow 2 or less people, a 3-Bedroom house would be 6 or less people. However, a 3-Bedroom house with only one (1) off-street parking space could only allow four (4) guests.</i></p>
<i>Parking Requirements</i>	<p>Listings must provide one (1) off-street parking space for every four (4) guests. A minimum of one (1) off-street parking space is required per listing.</p> <p><i>Ex. A studio and a one-bedroom listing would need to provide one (1) off-street parking space, a 2- and 3-bedroom listing would need to provide two (2) off-street parking spaces.</i></p>
<i>Accessory Dwelling Units</i>	<p>An <b>existing</b> Accessory Dwelling Units can be used as Short-Term Rentals <b>only if they have received a Certificate of Occupancy prior to the effective date of the Short-Term Rental ordinance.</b></p>
<i>Owner-Occupancy Requirements</i>	<p>The property being used as a short-term rental must be the <b>owner's primary residence.</b></p>

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## Short Term Rental Community Meeting

May 29 & 30, 2019

# Policy Proposal

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Policy Element	Description
<i>Registration &amp; Fees</i>	<p>Short-Term Rental hosts will be required to submit an initial registration and annual renewal. Hosts will need to pay the following registrations fees:</p> <ul style="list-style-type: none"><li>• Initial Registration Fee: <b>\$175</b></li><li>• Annual Renewal Fee: <b>\$125</b></li></ul> <p>Hosts will also be required to collect and remit TOT (10% City, 2% County) for all rentals. For hosts using Airbnb, this collection and remittance will occur automatically through their platform.</p>
<i>Safety Inspections</i>	<p>As part of the registration, hosts will be required to conduct a self-certification inspection documenting their compliance with the program regulations, including:</p> <ul style="list-style-type: none"><li>• Smoke and Carbon Monoxide Detectors;</li><li>• Rules and Local Contact Information posted inside;</li><li>• Off-Street Parking Requirements</li></ul>
<i>24-Hour Local Contact</i>	<p>Hosts will be required to have a Local Contact (within 30 miles) on file with the City whenever the listing is rented.</p>
<i>24-Hour Complaint Hotline</i>	<p>A 24-Hour Complaint Hotline will be available to neighbors in case of disturbance.</p>



## Short Term Rental Community Meeting

May 29 & 30, 2019

# Meeting Questions

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## Survey

- How do the survey results compare to your expectations?
- What is most surprising?
- Did they change your perception of the topic? If so, how?

## “Straw-man” Policy

- Is the policy in-line with the survey results?
- Would you support this policy?
  - If not, what is missing? What would you change?



**Short Term Rental Community Meeting**

May 29 & 30, 2019

# Next Steps

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## **July 15<sup>th</sup>- City Council Staff Presentation (Tentative)**

- Overview of Survey Findings
- Program Design Proposal
- Draft Ordinance

## **July 29<sup>th</sup>- City Council Potential First Reading of Ordinance**



## **Short Term Rental Community Meeting**

May 29 & 30, 2019



# Updates and Contact Information

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- Staff posting updates to Short Term Rental Webpage:

[www.cityofsanrafael.org/short-term-rentals/](http://www.cityofsanrafael.org/short-term-rentals/)

- Contact Information:

- [ethan.guy@cityofsanrafael.org](mailto:ethan.guy@cityofsanrafael.org)
- 415.458.2392



**Short Term Rental Community Meeting**

May 29 & 30, 2019

Johna Grim

[REDACTED]  
San Rafael, CA 94901  
[REDACTED]

July 30, 2019

Maribeth Bushey, Councilmember  
Kate Colin, Councilmember  
John Gamblin, Councilmember  
Andrew Cuyugan McCullough, Vice Mayor  
Gary Phillips, Mayor  
cc: Jim Schutz, City Manager

Dear Council Members,

I am writing in support of a Short Term Rental (STR) Ordinance and asking for your consideration of my Airstream STR. My husband and I are retired. We have enjoyed being pilots, sailors, and world travelers – now we want to spend our time hosting others and promoting San Rafael.

We believe our STR directly supports Downtown San Rafael and is an enhancement to local businesses and to our mixed-use neighborhood. The promotion of downtown businesses and our location are fundamental to our success. I have attached a few pages that I hope will help make clear our thinking, including pictures and reviews by some of our guests.

To ensure that a unique STR such as ours is not a burden on the city, or its neighborhoods, specific rules for travel trailers must be included in the ordinance. We would recommend the following:

- allowed in mixed-use zones only
- travel trailers only, no motorized vehicles
- must not be visible from the street
- must be connected to services: water, power, sewage, no generators allowed
- additional safety requirements: smoke detector, carbon monoxide detector, propane detector, fire extinguisher, fire escapes
- owner must be on site during occupancy
- occupancy limited to two adults
- off-street parking
- owner-managed waste disposal

Thank you for your consideration and please contact me if you have questions or would like clarification.

Sincerely,





# Come for the Airstream – Stay for San Rafael





The Goal

- promote downtown San Rafael
- earn additional income for property taxes
- remain in San Rafael
- family operation

Promoting San Rafael

- outreach to merchants to create Airbnb Experiences in addition to the Airstream STR – brewery tour, pottery making, painting, fencing, etc.
- online visitor guides
  - downtown San Rafael
  - beaches
  - hiking in Marin
  - music venues
  - restaurants

Short Term Rental Results

- 90 days
- estimated TOT \$700 (\$2,800 annual potential)
- achieved Airbnb Superhost status in 60 days
- no complaints, no emergencies, no police calls

Who Visited

- 30 Californians
- 17 from out of state
- 9 international (Canada, Costa Rica, Germany, Ireland, Jamaica, Singapore, South Africa, United Kingdom)
- 6 associated with Dominican University (parents, lawyers, professors)
- 3 return visits within 3 months
- 2 high-tech professionals

- celebrity actor (Spider Man 2, The Usual Suspects, Mad Men, American Horror Story, and more)
- international classical pianist

About The Iconic Airstream

- a tiny home
- American made 2019 Flying Cloud
- green machine (high efficiency appliances, led lights, ...)
- comprehensive safety features

Ordinance Recommendations

- allowed in mixed-use zones only
- travel trailers only, no motorized vehicles
- must not be visible from the street
- must be connected to services: water, power, sewage, no generators allowed
- additional safety requirements: smoke detector, carbon monoxide detector, propane detector, fire extinguisher, fire escapes
- owner must be on site during occupancy
- occupancy limited to two adults
- off-street parking
- owner-managed waste disposal

How We Operate

- personally greet every guest
- orientation on the Airstream systems and safety features
- recommendations for activities in downtown San Rafael and beyond
- printed house manual
- host/co-host on site throughout stay



### Sample Airstream Flying Cloud Reviews

Quentin: This place can not be compared to a hotel. Don't expect a hotel. It is exactly what it says it is, an **Airstream**. But it's the most sophisticated, comfortable, clean, tidy, comprehensive **Airstream** that I have ever stayed in. It's a novelty and an adventure to go and sleep in a compact **Airstream** of sorts. Johna and Greg were super friendly, and made 100% sure I had everything I needed. No mess no fuss. It's in a quiet neighborhood with amenities close by. If you want to experience something unique and different on your travels, this is it!! Enjoy!

María-Elena: We loved the **Airstream**, it had all the accommodations that we needed. It was very clean and tidy. Johna was a terrific host, she explained thoroughly how all things worked on the **Airstream**, and she provided a list of local restaurants and things to do in **San Rafael**. I definitely recommend her place!

Anna: The **Airstream** is a cozy spot, perfect for a quiet getaway in **San Rafael**. The adjoining garden is a lovely place to sit in the evening or morning. Johna is an exemplar host —thorough and gracious introduction to the space, and available when needed.

Dhulipala: Amazing & a brilliant place to stay! (5 star) **Airstream** is super clean and has all the amenities to make your stay a memorable one. Thoroughly enjoyed the stay here and an awesome experience which also includes a well maintained garden in-front. Johna was very kind and welcoming. Took care of all the on-boarding stuff and was very responsive when we needed help with the hot water and other minor concerns. Due to this, Johna was kind enough to offer a convenient checkout time. We would definitely make a trip back to stay in the Flying cloud!!

Marie-Christine: Nous revoilà après un 2e séjour de 6 nuits dans le beau **Airstream** de Johna! Encore une fois, nous avons adoré notre expérience! Très bien situé pour visiter la région :autant la côte, que SF ou Sonoma/Napa. Propreté irréprochable et Johna s'est assurée que l'on manquait de rien. On espère y revenir lors de notre prochain séjour dans la région!! Nous recommandons vivement ce logement à quiconque désirant vivre l'expérience **Airstream**!

Translation: We are back after a 2nd stay of 6 nights in the beautiful **Airstream** of Johna! Once again, we loved our experience! Great location to visit the area: the coast, SF or Sonoma / Napa. Cleanliness and Johna made sure we did not need anything. We hope to return during our next stay in the region! We highly recommend this accommodation to anyone wishing to experience the **Airstream** experience!

Marie-Christine: Nous avons d'abord séjourné 3 nuits dans le **Airstream**! L'accueil de Johna était chaleureux et la propreté du lieu impeccable! Elle fait en sorte qu'on se sente bien avec plusieurs petites attentions. Tout était parfait, au delà de nos attentes!

Translation: We first stayed 3 nights in the **Airstream**. Johna's welcome was warm and the cleanliness of the place impeccable! It makes you feel good with many small touches. Everything was perfect, beyond our expectations!

Louis: We enjoyed our stay with Johna in her beautiful **Airstream** trailer. The amenities were very nice and everything was sparkling clean. A great location close to **San Rafael** downtown shops. We hope to return soon.



### Sample Airstream Flying Cloud Reviews

Ryan: This **Airstream** was just perfect! When we stayed in it early March it was so clean and new looking I was surprised we weren't the very first people to stay in it! Of course it was small, but that's the whole point of staying in an **Airstream** right? We never felt cramped though, as it was so bright and free of unnecessary decor and gadgets. Check-in was smooth; Johna walked us through the particulars of staying in an **Airstream** (how the heat and waste systems work), and had filled vases with flowers of my wife's favorite color after inquiring with me. What a lovely special touch! We walked to nearby restaurants for dinner and breakfast - it was very conveniently located to downtown. It was fun staying in a different environment, we weren't kept up by road noise at night at all, and all-together we'd recommend Johna's **Airstream** to anyone!

Brian: Johna's **Airstream** is wonderful and exceptionally clean. Little touches make it a comfortable and unique place to stay, and Johna's hospitality and awareness of potential needs when staying in an **Airstream** made it extra special. Very comfortable, fun, and relaxing experience.

By the way-- the chicken mole enchilada dish at LaVier Latin Fusion was some of the best mole I've had. Thanks again! Brian

Alana: I loved staying in Johna's **Airstream**. Sparkling clean, well equipped and centrally located! Will definitely book again when back in **San Rafael**.

Zachary: Johna is such a wonderful host. The **Airstream** was beyond cool, very clean, and super comfortable. I really enjoyed sitting out near the garden with a glass of wine in the evenings. Excellent atmosphere. Very much looking forward to staying again. Thanks again for such a wonderful and memorable stay. :)

Michelle: Johna's **Airstream** is immaculate and really comfortable. Every amenity is available. The little touches are so hospitably- fresh cream in the fridge, organic soap packets, local recommendations, and a book-share shelf! The location is perfect for walking around **San Rafael**, or accessing the route to San Fran or Sonoma and Napa. Johna's communication is friendly and prompt. Thanks for a great visit, we look forward to coming again in April!

Michelle: This was our second stay at Johna's, and it met every high expectation we had. She is a wonderful host and the space is perfect. We hope to return to the area in the future and stay here again.

Mary: Very central location for visitors to **San Rafael**. Fun to find out what **Airstream**-living is like. Very gracious hosts!

Laura: The **Airstream** is an amazing place to stay! It's new and very clean. Johna is an awesome host. She's always there if needed and helps you with everything. Thanks for the great experience!

Mariah: Johna's **Airstream** was so nice and extremely clean! She was a great host. I highly recommend staying here.

Ethan Guy  
Code Enforcement  
City of San Rafael  
San Rafael, Ca.

July 29, 2019

Dear Mr. Guy,

The reason for this letter is the use of single family residence (**12 Lido Lane**) across the way from me on the other side of the San Rafael Canal. I am looking at it from the windows of my home ( [REDACTED] ) directly across (150') from me.

The owners of that property, Sia and Sherr Bakhtiari are running a group tourist and special events venue. This is in contra pose to the quiet solitude of our tranquil neighborhood.

The Bakhtiari's are running an Ajrbnb. They describe their property as a "*resort villa.*" True it is 4,500 sq ft and she states in her website that it can hold 14 people (ten in the house and four in the boat) but often the people staying there are double that amount as can be seen from the Comments section that can be found at the end of this letter which is directly taken from her website.

You can see that website and how she markets this property on airbnb at:

<https://www.airbnb.com/rooms/10965350>

Often there are groups of 25 people or more and recently she had a group of 32 stay there. Often the neighbors call the police as it can get rowdy and the parties out of control. Last weekend (July 19-20) the San Rafael Police Maritime boat had to respond to a group of unsupervised kids swimming in the canal and using a rowboat without any oars and without the appropriate safety gear onboard such as life preservers. And they were staying at 12 Lido Lane. There was not an adult in sight, nor did one make an appearance. We watched from our docks and patios across the way.

I believe that this is an inappropriate use of the property that that we as their neighbors have to be subjected to, in the quiet use and enjoyment of our homes in this peaceful and bucolic neighborhood.

In a serene neighborhood such as ours the Bakhtiari's renting out of their property as a business in the way they have at 12 Lido Lane interferes with the use and enjoyment that is the main reason and I would assume a right for all of us who live

here. We have a right to the peace and quiet and the solitude that living here in this area offers and affords. And that is being taken away from us by Sia and Sherry Bakhtiari'.

By renting out their property through Airbnb to large groups of 30 or more is a flagrant use of an absentee homeowner to the rights and privileges that all who live here are entitled to and deserve. It is clear that Sia and Sherry Bakhtiari only care about how much profit they can extract from their property without considering what effect it has on the rights, needs, privileges and common courtesies usually afforded to neighbors by a reasonable person.

An ordinance needs to be put in place that protects us, the neighbors from the intrusive interference of our right to privacy and the quiet use and enjoyment of our land. When the groups get loud and noisy we have to go inside our homes, close the doors to shut out the noise from these rambunctious groups.

Thank you for your time,



Richard Meyerhoff

San Rafael, Ca.



## Comments

The following statements are made by the people that have stayed at Sia and Sherry Bakhtiari's residence at 12 Lido Lane from October 2018 to the present. These comments only cover 10 months as I was only allowed to go back that far on their Airbnb website. As you will see there are many large groups that have rented this property for large parties and group events.

The fact they advertise from their Airbnb brochure: "Guests have the optional yacht rental for **groups up to 14 people,**" means that those who stay aboard the boat (up to 4) use the bathroom facilities.

The problem as I see it using the boat as another place to stay is that there are no facilities for sewage pump-out on that boat. Those that stay aboard have to use the toilets as well as the sinks and my question is where does that black and brown water go? For years that boat has not moved from its dock and I have never seen a pump-out boat along side to empty the holding tanks (if they even have them).

I think this is in direct violation of **BCDC** regulations for sewage dumping into the bay.

And to make matters worse there are people who swim in the canal and use it for exercise and enjoyment. It's a nice place to swim, calm and peaceful.

Our problem as residents of the canal adjacent and in the immediate vicinity of 12 Lido Lane is that Sia and Sherry Bakhtiari are marketing this property out for large groups. When large groups come into our neighborhood in their reviews of the property for Airbnb they comment that they had no problem from the neighbors.

But what about the problem we have about them?

I believe that we are entitled to the quiet use and enjoyment of our land so long as we don't infringe upon the rights of others, without invasion of privacy. But that is not happening here. Sia and Sherry Bakhtiari by running their residence as a short term rental hostel/hotel and putting as many people as they can in a residential area are invading our right to privacy to peace, as well as the quiet and the solitude that living here affords us, all of us.

They party with abandon, make noise, have had police visits and simply aren't aware or care about the people who live here and make this area their home.

Just last weekend, for example (July 20, 2019) there were teenagers jumping from their rental boat into the water (4 girls all holding hands) and three boys in the rowboat that they have on the dock that was pit in the water by the boys, without any oars, floating around in the canal unable to control it, a hazard to other boaters.

who use the canal regularly going into or out to the bay.

The San Rafael Police Water Patrol vessel approached these kids in the boat (they had no oars to paddle which was a huge safety issue) and told them to get out of the boat since they had no life preservers. I don't know if a citation was issued but usually it is.

And all this occurred without any adult supervision around. These kids were an accident waiting to happen.

The following are comments taken from the Bakhtiari's marketing brochure that they have on Airbnb made by their guests regarding what it was like to stay there. If you access their website provided you can see these comments in full. I have just taken from the individual comments the size of the groups that have had access to the property during their one night stay there.

Here is the link to their Airbnb website pertaining to 12 Lido Lane that these following comments are taken from

**'Stunning Resort Villa For Rent in San Rafael, California USA'**

<https://www.airbnb.com/rooms/10965350>

**'Yacht With Gorgeous Views'**

<http://airbnb.me/Fs2g2LBtQ>

These are the **Reviews** by the guests that have stayed there

**Paul**

July 2019

"our **family party of about 30** fit well within the house and backyard. The amenities are incredible, we loved the sauna and jacuzzi and **played games all day in the pool**"

**Maya**

July 2019

"A **dozen of us** spent an amazing day and night at Sherry's place. Quiet and beautiful, this place is so relaxing. No one wanted to leave."

**Jason**

May 2019

"We had a **corporate offsite for the day**. Outdoor space was awesome and comfortable for **10 of us**

**Aaron**

May 2019

I booked this space for a milestone birthday and **30 friends and family**.

**Linda**

April 2019

**My family** and I had a great Easter get together there and the kids had the most amazing Easter egg hunt. We enjoyed the pool, hot tub, and sauna. **My husband and his cousins** fish on the dock

**Amanda**

April 2019

**"We brought 3 babies with us**, the place was clean, neat, and safe for them. I had **extra family** that came giving her only few days notice and she was sooo accommodating."

**Juliann**

April 2019

We used this space as a post wedding get together for our **bridal party** and everyone enjoyed it

**Alex**

March 2019

**"Our group** was only there for one night stay. Highly recommend **for groups** looking at cool fun places to stay at!"

**Aditya**

March 2019

"I would strongly recommend this place for **group of 5-10 friends** who want to unwind for a couple of days.

**Anthony**

February 2019

"This place is great for **large groups**.

**Payton**

December 2018

"We had a **group of 20-30**. We remained unbothered by neighbors throughout the night."

**Kathryn**

December 2018

"group of 8 friends!."

**Sara**

November 2018

"We enjoyed Thanksgiving **with our extended family** at this house. The location was absolutely beautiful, there are great amenities, and the proximity to downtown

San Rafael was fantastic. However, the house was quite expensive, and had a surprising number of deficiencies, some permanent, some temporary. There were no screens on the windows, so they could not be opened for air without letting in mosquitoes, of which there were many. **There is only one shower for everybody to share.** One bathroom had a jacuzzi tub, but the **drain did not work and the jets shot up to the ceiling**, so it could not be used. Two of the four bedrooms are quite small and have no closets. Beyond those issues, **the house was in a bit of disarray. One toilet was broken.** There was rain, which caused several **serious leaks, one of which had buckets under it when we got there. One of the two dishwashers didn't work and the second was programmed poorly so that it needed to be attended to during our stay. Many lamps had no lightbulbs and we couldn't find extras in the house. There were several unacceptably dirty things, including empty champagne bottles and broken balloons in the sauna, cigarette butts on the deck of the outdoor jacuzzi, and intimate items in one of the bedroom nightstands.** I will begin by saying that Sherry was kind and very attentive. She responded quickly to all our requests and tried to handle the problems as soon as we contacted her. **Unfortunately, when we expressed our disappointment in the condition of her house compared to the extreme price we paid, Sherry offered many excuses and refused to offer any reduction to what we considered rather high rent for such a seriously flawed property.** We wouldn't have asked for much, but thought even the consideration would have been fair. I would not stay here again and would not recommend it.

**Sarah**

November 2018

"We had my husband's 30th birthday party here, and it was perfect. The place is big, open, and **great for large groups.**"

**Nick**

October 2018

"There were **8 of us** and we spent most of the time outside."

**Sammita**

October 2018

"We had a **large group (32)**, and while parking for large groups is tricky around the area- she did a great job making sure we had planned ahead, saved us spots in her cul-de-sac, and allowed us to squeeze multiple cars into her driveway.

**Katherine**

October 2018

"There is **NO parking. Only 2 spots.** This was an issue because I **had a group of people.** Sherry constantly called me and text me to talk to me about the parking situation. Constantly having to be in contact with the host was **very annoying.**"

As I have illustrated from the above why do we as their neighbors have to be subjected to the intrusion of large parties and group events of a short-term rental simply because the owners of 12 Lido Lane see a way to profit at the expense of the

rest of their neighbors who live here and whose right to privacy is invaded while the quiet use and enjoyment of their land is compromised.

Here is a link to an article that appeared recently in USA Today on how Sedona, Arizona is attempting to deal with the problem:

[https://www.msn.com/en-us/news/us/they-killed-our-city-locals-feel-helpless-as-vacation-rentals-overrun-sedona-arizona/ar-AAEWSal?ocid=se.](https://www.msn.com/en-us/news/us/they-killed-our-city-locals-feel-helpless-as-vacation-rentals-overrun-sedona-arizona/ar-AAEWSal?ocid=se)

October 21, 2018

Dear Sorrento Way and Lido Lane Neighbors,

Hello, my name is Bill Thielen. I live on the Porto Bello condominium waterfront across the canal from you. Please let me take this opportunity to tell you about a concern of mine. A concern shared by my spouse and nearby Porto Bello neighbors. That is issues with the 12 Lido Lane airbnb which, to the best of my knowledge, is owned and operated by Sia and Sherry Bakhtiari.

We are *directly* and closely in this airbnb's line of fire. To put it as politely as I can, we are fed up with the intrusive commotion emanating from this operation. For us, this commercial enterprise has become an unsavory presence on our landscape. The Bakhtiaris may call what they are running an airbnb. But we call it brazen commerce that is out of scale with our closely packed residential neighborhood.

The purpose of this letter is to find out if there are similar negative reactions among residents living closest to this airbnb. If you have issues, please let me invite you to share your criticism and thoughts with us. We may benefit from combining our resources.

A mobilized neighborhood can swap ideas and formulate strategies how to ameliorate the problem. (You may have already allied yourselves on your side.) In unison, we can exert concentrated, persistent pressure against the Bakhtiaris to heed our objections. In unison, we have a better chance of restoring some of the harmony lost to the Bakhtiaris' expropriation of our waterfront.

Please see my attached one page critique of the Bakhtiari airbnb below. I'm distributing this piece among my Porto Bello neighbors who have expressed similar misgivings about what's going on at 12 Lido Lane.

If you have time and feel comfortable about it, I'd appreciate a little feedback.

Sincerely yours,

Bill Thielen

[REDACTED]  
San Rafael, CA 94901  
[REDACTED]  
[REDACTED]

## **Some Observations/Assumptions Regarding The 12 Lido Lane Airbnb**

How can one airbnb be so disagreeable? The answer you probably already know, and I finally figured out, lies with the proprietor's vulgar exploitation of the house's pre-existing expansive and elegant attributes created by previous owners:

**That immense house — 4,500 sqft, 6 bedrms, 5 bathrms — makes possible the influx of a very large number of guests at any given time.** Ms. Bakhtiari herself, who is a realtor, describes her property as a '*resort villa*'. In her airbnb website listing she infers that her guest capacity is 14 people (10 in the house; 4 in the boat). Truth is the facility's maximum capacity is double that amount and it is an asset that the proprietors are not want to lie fallow.

I know this because I've counted numerous groups of 25 people or more. Indeed, in her airbnb website reviews, one of her customers praises the hostess for graciously welcoming her recent 32-person stay, which, in her reply, Ms. Bakhtiari corroborates. Some of these gatherings lay waste to the surrounding neighborhood. One I witnessed featured a young adult keg party. Drunken participants were shouting and carrying on past midnight, a few tempting fate by swimming in the canal after dark. The police were called in.

**Bakhtiari is running a group tourist and special events venue.** Catering to groups intensifies the airbnb's negative impact on our neighborhood. Fifteen affiliated guests with a single objective are more rambunctious than the same number of unaffiliated strangers. This past summer we were beset almost daily by an invasion of one type of group or another. Among them were giddy bridal showers, multi-generation family reunions, selfie obsessed foreign visitors, corporate conference goers, blunt force 20-something parties, and weird motivational retreats. This operation is not a mom and pop airbnb. It is a high-octane lodge.

Bakhtiari's business model is a cunning one if not crass: offer luxury and beauty at a price that anybody can afford. That is cash in on the property's turn-key elegance, exploit every last inch of its vast capacity, charge \$1200 a night, and lure in 15 to 30 affiliated customers wanting the good times to roll. Who wouldn't want to party in such picturesque setting for only \$40 to \$80 a head per night? The proprietor is now assured a steady stream of clientele. And we are stuck with a steady erosion of our quality of life. Insult upon injury, Bakhtiari is putting little if anything back into the physical property judging from its accelerating deterioration.

I heard from a reliable source there is another version to this scheme. Some customers front themselves as a small group. But in reality they are the vanguard in advance of additional party goers. Whether Ms. Bakhtiari is aware of this deception, I cannot say. But I have my suspicions, taking everything into account. over please...

**Bakhtiari's here-today-gone-tomorrow clientele are as much a part of the problem as their sheer numbers.** Having few if any limits asked of them, they are inclined to let it all hang out. As such they don't give us a second thought. Neither do the Bakhtiaris, judging from their entitlement to do whatever they please. Further I believe they live a comfortable distance removed from the disturbance that they have created. Or they "reside" in the villa just long enough to qualify as its owner occupiers.

**The frequency of the airbnb's group turnover is nearly constant: that is a lot of stoked people a lot of the time.** Based on my observations, I estimate Ms. Bakhtiari lures in a 15-person group a day, at a rate of 3 to 4 groups a week. She is now billing her airbnb as an '*island resort*' instead of a mere villa. Given an uptick in business, I think it's fair to assume that she is busily expanding and diversifying her markets. And of course word is spreading among group venues, especially foreign. To my mind this points to ambition that, not content with abundance achieved, reaches for more. Overreaching that may hasten the day when the island resort is booked to full capacity *everyday* of the week. It is a prospect that alarms me.

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**Airbnb 12 Lido Lane Owner Information:**

Sherry (Shahrzad) Bakhtiari, Realtor  
Engel & Volker's, San Francisco  
650-537-2000 (personal/work mobile, I believe)

**'Stunning Resort Villa For Rent in San Rafael, California, USA':**

<https://www.airbnb.com/rooms/10965350>

**'Yacht With Gorgeous Views':**

<https://abnb.me/Fsv2g2L8tQ>



## Ethan Guy

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**From:** Lillian Trac [REDACTED] >  
**Sent:** Friday, July 26, 2019 4:21 PM  
**To:** Ana Santiago; Ethan Guy  
**Cc:** Aline Perry  
**Subject:** San Rafael Short Term Rental

Hi Ana,

I'm following up on our phone conversation today about the proposal to limit short term rentals in San Rafael.

My preference is that short term rentals are not allowed at all, other than in limited areas, such as perhaps the downtown area. This is the model that the City Council of Healdsburg, CA reaffirmed back in 2015.

My reason for limiting short term rentals is that we need to keep our housing stock for the many families who already live here in the Bay Area, and San Rafael specifically. I believe the long term residents are engaged in their community in a way that transient visitors are not, and can't be due to the limited amount of time that they spend in our community.

Allowing short term rentals increases the likelihood that investors will buy precious housing stock and convert it to ad hoc hotels. This is particularly true of the neighborhood where I reside, which fronts the San Rafael Canal. Already, a number of residents in the neighborhood are renting, or have rented their houses on numerous occasions. The houses here rent out easily since we have water access, and the rear yard affords a scenic outlook that is very attractive to visitors (and homeowners alike).

If the City Council votes to adopt a resolution allowing for short-term rentals, I would like them to also include in the resolution that no property fronting the San Rafael Canal can be rented out for short term rentals. If there is concern about overreach in such legislation, then I would like to limit short term rentals to only the down-town area, so that those of us who chose to live in a residential neighborhood and to know our neighbors by name, are not faced with nameless and transient visitors trudging in and out of homes adjacent to us.

I do not support carving out any exemptions for home-owners who claim to reside in their homes while at the same time renting it out. This exemption is too easy for home-owners to lie about, and too difficult for the city to monitor or enforce.

I ask that the City Council support our local residents and disallow short term rentals.

Yours,  
Lillian Trac  
[REDACTED]  
San Rafael, CA 94901

## Ethan Guy

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**From:** Lee Dorfman <[REDACTED]>  
**Sent:** Monday, June 03, 2019 4:26 PM  
**To:** Ethan Guy  
**Subject:** STR Legislation

**Categories:** Short Term Rentals

Ethan,

Thank you for your presentation last week.

I wanted to summarize two issues which I believe are very important relative to the proposed STR legislation.

1. Although you acknowledged that limiting the number of short term rental nights in other municipalities has been difficult to enforce, I wanted to nevertheless express my concern that such a provision not be included in the ordinance.

Because we were unable to find long-term tenants, we began renting a portion of our home on a short term basis. If we were limited as to the frequency or the number of nights we could do this, we would wind up being vacant for a significant portion of the year. For example if we were limited to say 270 rental nights, the remaining 90 couldn't possibly be rented on a long-term basis because three months by definition would be short term. We would therefore be vacant for these three months.

2. The second issue was already added to your whiteboard, but I wanted to reiterate its importance again.

Your strawman proposal contained a provision that would allow an ADU to be used as a STR only if the owner received a certificate of occupancy prior to the effective date of the STR ordinance. Such a provision, if adopted, would be seriously unfair. We received our ADU approval from the planning department approximately 18 months ago and have been doing our remodeling ever since. Because the work isn't yet finished, we do not yet have our certificate of occupancy.

It would therefore be far more appropriate to require that only the \*issue\* date of the permit preclude the effective date of the STR ordinance.

Please feel free to call me if you'd like to discuss.

Lee Dorfman

## Ethan Guy

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**From:** Callaway Lucinda <[REDACTED]>  
**Sent:** Friday, May 24, 2019 3:09 PM  
**To:** Ethan Guy  
**Subject:** Short-Term Rentals

**Categories:** Short Term Rentals

Hi Ethan,

I'm unable to attend upcoming meeting. The City's email did not invite further comment on proposed regulations. But I'd like to do so anyway.

Please pass and conscientiously enforce short-term rental regulations. I've seen the detrimental effects first-hand while previously living in Stinson Beach and Bolinas. Short-terms have destroyed the character of Stinson and Bo, in part by driving out residents who lived in the towns for decades as their landlords transitioned to Airbnb, etc. Most cities on the Peninsula have long passed regulations. They were recently passed in Redwood City, a city I view as the "San Rafael" of the Peninsula.

Sincerely,  
Lucinda Callaway  
[REDACTED]  
San Rafael CA 94901



## Ethan Guy

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**From:** Johna <[REDACTED]>  
**Sent:** Friday, May 10, 2019 5:58 PM  
**To:** Ethan Guy  
**Cc:** Ana Santiago  
**Subject:** Short Term Rentals

**Categories:** Short Term Rentals

We spoke when I called to find out about the outcome of the April 4<sup>th</sup> meeting for hosts of Short-Term Rentals (STRs) as I was unable to attend. We have read the two documents that you have shared: the April 2018 – Leading Regulatory and Enforcement Approaches To Short-Term Rentals, and the November 2018 – Short-Term Rentals in San Rafael. Since we were unable to comment at the meeting we would like to share our thoughts here.

My husband and I are both retired and I am disabled. We live downtown. We completed a remodel of our downtown duplex in 2017. My husband and I moved into the bottom unit, our daughter and son-in-law live in the top. Our daughter Casey is my co-host. One of us is always present when there is a guest. The Airstream is behind where we live. We were looking for a way to promote the city that we have come to love and to make additional income to assist us in our hope to live out our lives here.

Our motto is “Come for the Airstream Experience – Stay for San Rafael”. We promote downtown and its perfect location for activities throughout Marin and the Bay Area. San Rafael is the heart of Marin County and the portal to highly desirable tourist destinations – Marin County, San Francisco, Sonoma/Napa, and Albany/Berkeley/Oakland. We are not commercial operators and do not intend to acquire or manage additional STR units.

We have been hosting since February on Airbnb. I earned the status of superhost in April by attaining the top rating of 5 stars for all reviews. The Airstream in downtown San Rafael has been an amazing success. We have enjoyed meeting people and making recommendations to them in support of our downtown businesses as well as of Marin County. We know who's visiting – here's a breakdown of our visitors so far.

- 30 from California
- 17 from 14 states coast to coast and north to south
- 9 from 8 countries (Canada, Costa Rica, Germany, Ireland, Jamaica, Singapore, South Africa, United Kingdom)
- 6 associated with Dominican University (parents, lawyers, professors)
- 3 return visits within 3 months
- 2 high-tech professionals
- a movie actor (Spider Man 2, The Usual Suspects, Mad Men, American Horror Story, and more)
- an international classical pianist

Although there are many families living in travel trailers at the state-regulated San Rafael RV Park, we do not use our Airstream for long-term rental and we believe we do no harm to the long-term rental market. We are meticulous about caring for our Airstream. Thousands of people live in Airstreams – stationary as well as on the road. The best way to think of Airstream is as a tiny home on wheels.

Unlike the Airbnb Airstream in Mill Valley and the one near Muir Woods that are only the Airstream exterior, ours is a factory-made 2019 Flying Cloud. It is a “green” machine ( high efficiency appliances, LED lights, ...) and has all the amenities and safety features, better than many homes or apartments.

Safety was a very important matter for us. We have a smoke detector, carbon monoxide detector, propane gas detector, fire extinguisher, and an emergency exit in addition to the door. We have a first aid kit in it, too. Our occupancy limit is two adults, with strict noise rules, off-street parking, and owner-managed waste disposal. We personally greet every guest, and we have additional general liability insurance.

When a guest leaves we go through the Airstream from top to bottom to ensure that all safety equipment is working and that it is as clean as new. When we check someone in we give an orientation on the Airstream systems and safety features. That information is also in our printed house manual with recommendations for eating in San Rafael, live music venues, hiking in Marin, and a list of the products use or supply and why we chose those products.

STRs are good for San Rafael because they promote the city and its businesses. We agree that short-term rentals should pay a registration fee, the Transient Occupancy Tax (TOT), self-report on safety features with unannounced inspections, and, as an incentive, a credit for green technologies. We estimate that, if allowed to continue, our contribution to the City of San Rafael through TOT (12%) would be \$2,000-2,500 a year in addition to the goodwill we create.

We are willing to pay the TOT retroactively.

There has been no complaint from our neighbors, no emergency, no police calls. Our neighbors have told us that they are pleased with what we have done to strengthen the residential character of our residential/commercial neighborhood. We believe that we represent the best practices of STR hosting and that we could be the model for San Rafael. I hope this is helpful information as you work to develop the STR ordinance.

Sincerely,

Johna and Greg Grim

[REDACTED]

[REDACTED]

cc: Ana Santiago, Supervising Code Enforcement Officer, via email

Steve Stafford, Senior Planner, via Ethan Guy (please forward, we have no email address)

~ *Johna*  
sent via HQ



## Ethan Guy

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**From:** Chris [REDACTED] >  
**Sent:** Tuesday, April 16, 2019 9:53 PM  
**To:** Ethan Guy  
**Subject:** Short term rentals San Rafael

**Categories:** Short Term Rentals

Greetings,

Thank you for being available to the San Rafael community's concerns about short-term rentals. Please continue to dialogue and investigate this serious and currently overlooked problem that damages the complexion of our residential communities. Please escalate the dialogue and constructive efforts to address the negative impact of short term housing. I, along with many of my long term, residential neighbors point to the need to seriously consider banning short term rentals in San Rafael.

Thank you,  
Dr. C

Sent from my iPhone

## Ethan Guy

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**From:** Doug & Lynn Mason <[REDACTED]>  
**Sent:** Tuesday, April 16, 2019 11:05 AM  
**To:** Ethan Guy  
**Cc:** lskruger94@aol.com; Wayne Johnson  
**Subject:** shared rentals on shared driveways

**Categories:** Short Term Rentals

Hi

I just received an email from a neighbor regarding the disruption caused in their lives by multiple trips by strangers using a shared driveway.

We live at 18 Jewell Street and our driveway belongs to the owner of the house above us but we are entitled to use it because of an easement. Presently, the drive is used by the owner and his downstairs tenant as well as, I assume, someone he has rented a room to. Fortunately, one of them works but the other two are up and down randomly all day.

There is a metal gate and every time a car goes over the metal frame in the driveway, it clacks and we are 'notified'. Also, visitors, food deliveries, and tradesmen are up and down and because it is a steep hill, they often rev their engine.

We are retired and spend most of our time at home so our rest is often interrupted, if the intrusions were to be multiplied, as they are for our neighbors, it would be unbearable.

I think that the City needs to place limits on AirB&B's when the effects are negative on long-time residents.

Doug & Lynn Mason  
[REDACTED]. San Rafael CA 94901

## Ethan Guy

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**From:** Arthur Faibisch <[REDACTED]>  
**Sent:** Friday, March 22, 2019 2:12 PM  
**To:** Ethan Guy  
**Subject:** Your survey

**Categories:** Short Term Rentals

I completed all your survey until I got to the end and I refused to provide my race or age- so the survey would not allow me to submit it. My race or age is not the city's business so I will not provide it.

By the way, your survey is very biased.

Art Faibisch



## Ethan Guy

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**From:** JUDY CUTLER [REDACTED]  
**Sent:** Wednesday, March 13, 2019 9:33 AM  
**To:** Ethan Guy  
**Subject:** Short term rentals

**Categories:** Short Term Rentals

Dear Mr. Guy,

I have been following with interest published articles regarding short term rentals. The neighbor who lives next to me does not own the house but rents it and then for over a year has used AirBnB to offer all three bedrooms in this house to overnight guests every night, The whole main floor of house is available to rent as well. For her use there is an additional bedroom below the main house. I assume the actual owner of the house is aware of this commercial enterprise and may profit from it themselves.

As you can imagine there are unfamiliar cars parking on the street and unknown people coming and going on a constant basis. This causes me concern as to the safety and stability of our neighborhood. Regulations are needed and business taxes should be collected as this is most certainly a business.

Judy M. Cutler

**Ethan Guy**

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**From:** Greg Knell <[REDACTED]>  
**Sent:** Tuesday, May 14, 2019 2:13 PM  
**To:** Ethan Guy  
**Subject:** Another angle on the short term rental meetings

**Categories:** Short Term Rentals

Hi Ethan,

Was there any response to my point in the survey that it is unfair for those of us with legal in laws (mine has been used often as a prime example of what to do by the City of San Rafael) to have a deed restriction on our property which lowers our property values?

We comply with paying road, parking, water and sewer fees which those profiting commercially by running a hotel in my R1 neighborhood do not have to do despite much greater impacts on said services. In addition they have clear title allowing them to live elsewhere and be absentee landlords of said hotels while we who have contributed mightily are punished with deed restrictions.

Is the City interested in addressing this inequity or must we litigate?

Thank you,

Greg Knell  
Graphics Manager  
Breakpoint Sales  
Promotional Products, Print and Mail  
[REDACTED]

4 Term elected Trustee & President San Rafael City School Board  
Marin County Commissioner and Community Co-Chair RxSafe Marin  
California State Accelerator fighting the Opioid epidemic statewide  
San Rafael Chamber of Commerce 35 Year Milestone Member

Treasurer, San Rafael Committee for Paramedic Services  
Marin County School Trustee of the Year 2015-16



San Rafael, CA 94903





**Ethan Guy**

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**From:** Greg Knell <[REDACTED]>  
**Sent:** Tuesday, July 09, 2019 3:03 PM  
**To:** Ethan Guy; Paul Jensen  
**Cc:** Kate Colin ([REDACTED]); Maribeth Bushey  
**Subject:** Re: Update: San Rafael Short Term Rental Staff Report

Hi Ethan and Paul,

I just wanted to confirm, as we just discussed, that we will see added to the report detailing the strong community survey response calling for the addition of a residency requirement to any policy regulating ABNB type hotels in R1 zoning the admonition that if such a requirement is deemed too onerous by the Council the deed restriction requirement on accessory dwelling units must also be removed. That requirement to those of us helping with the mandate to build accessory units to meet housing demand should be afforded the same relief as afforded ABNB type homeowners. It is a matter of equity that the current requirement which significantly lowers our property values be waived along with any such relief provided to those operating hotels in R1 zoning under current and future City ordinances regulating short term housing in our neighborhoods.

Thank you again,

Greg Knell  
Graphics Manager  
Breakpoint Sales  
Promotional Products, Print and Mail  
[REDACTED]

president, Santa Margarita Neighborhood Association  
4 Term elected Trustee & President San Rafael City School Board  
Marin County Commissioner and Community Co-Chair RxSafe Marin  
California State Accelerator fighting the Opioid epidemic statewide  
San Rafael Chamber of Commerce 35 Year Milestone Member  
Treasurer, San Rafael Committee for Paramedic Services

Marin County School Trustee of the Year 2015-16

[REDACTED] San Rafael, CA 94903  
[REDACTED]

On Tue, Jul 9, 2019 at 2:27 PM Ethan Guy [REDACTED] > wrote:

Hello,

Thank you all for your ongoing interest in the City of San Rafael's efforts regarding Short Term Rentals. Since our May community meetings, Staff has been working on incorporating your feedback into our report to City Council.

**Staff is preparing to return to City Council at the Monday, August 5<sup>th</sup> City Council Meeting starting at 7pm in the Council Chambers at San Rafael City Hall.** At this time, Staff is preparing the Short Term Rental item as an informational report outlining the community outreach and presenting a menu of potential regulations for consideration.

Please visit the Public Meetings page for further meeting details and agenda: <https://www.cityofsanrafael.org/public-meetings/>. Staff will also be updating the Short Term Rental Webpage: <https://www.cityofsanrafael.org/short-term-rentals/>

Thank you again for your interest and please feel free to reach out with any questions.

Best,

Ethan

**Ethan Guy | City of San Rafael**

Principal Analyst

Community Development Department

1400 5<sup>th</sup> Avenue, 3rd Floor

San Rafael, CA 94901





## Ethan Guy

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**From:** Stephen Saude <[REDACTED]>  
**Sent:** Thursday, May 30, 2019 8:38 AM  
**To:** Ethan Guy  
**Subject:** City of San Rafael- Short Term Rental Community Meetings - Question from Stephen Saude

Stephen Saude ([REDACTED]) has a question for you about your event City of San Rafael- Short Term Rental Community Meetings.

Unfortunately unable to attend but would like to express my interest in seeing more restrictive measures taken for short-term rentals in SR. Main reason is the adverse transient impact on residential neighborhoods. Thanks, Stephen Saude, SR Resident

-----  
This message was sent to you via Eventbrite.

Collect event fees online with Eventbrite





**Agenda Item No: 5.c**  
**Meeting Date: August 5, 2019**

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Digital Service & Open Government**

**Prepared by: Rebecca Woodbury, Director**

**City Manager Approval:** 

**TOPIC: DIGITAL STRATEGIC FRAMEWORK**

**SUBJECT: ACCEPT INFORMATIONAL REPORT AND PROVIDE FEEDBACK ON THE DRAFT STRATEGIC FRAMEWORK FOR THE DEPARTMENT OF DIGITAL SERVICE AND OPEN GOVERNMENT**

**RECOMMENDATION:** Accept informational report and provide feedback to staff.

**BACKGROUND:**

The department of Digital Service and Open Government, [created by the City Council in December 2018](#), is a reorganization of the Information Technology Division and expands traditional tech and network support services to include broader functions of strategy, analytics, and product management. Over the last six months, department staff developed a draft strategic framework (Attachment 1).

**ANALYSIS:**

The strategic framework includes the following draft purpose statement for the department: "To make City services easy to use, and work for everyone." The values that underpin the department's work include:

- Reliable and trusted
- Human-centered and empowering
- Open and transparent
- Inclusive and collaborative

Since the department serves both internal (city employees) and external (community members) users, it's important to understand the complex needs of both groups. The department will work to create a culture that prioritizes user needs, evangelizing strategies for user research and design and building capacity throughout the organization to ensure a high-quality user experience.

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**FOR CITY CLERK ONLY**

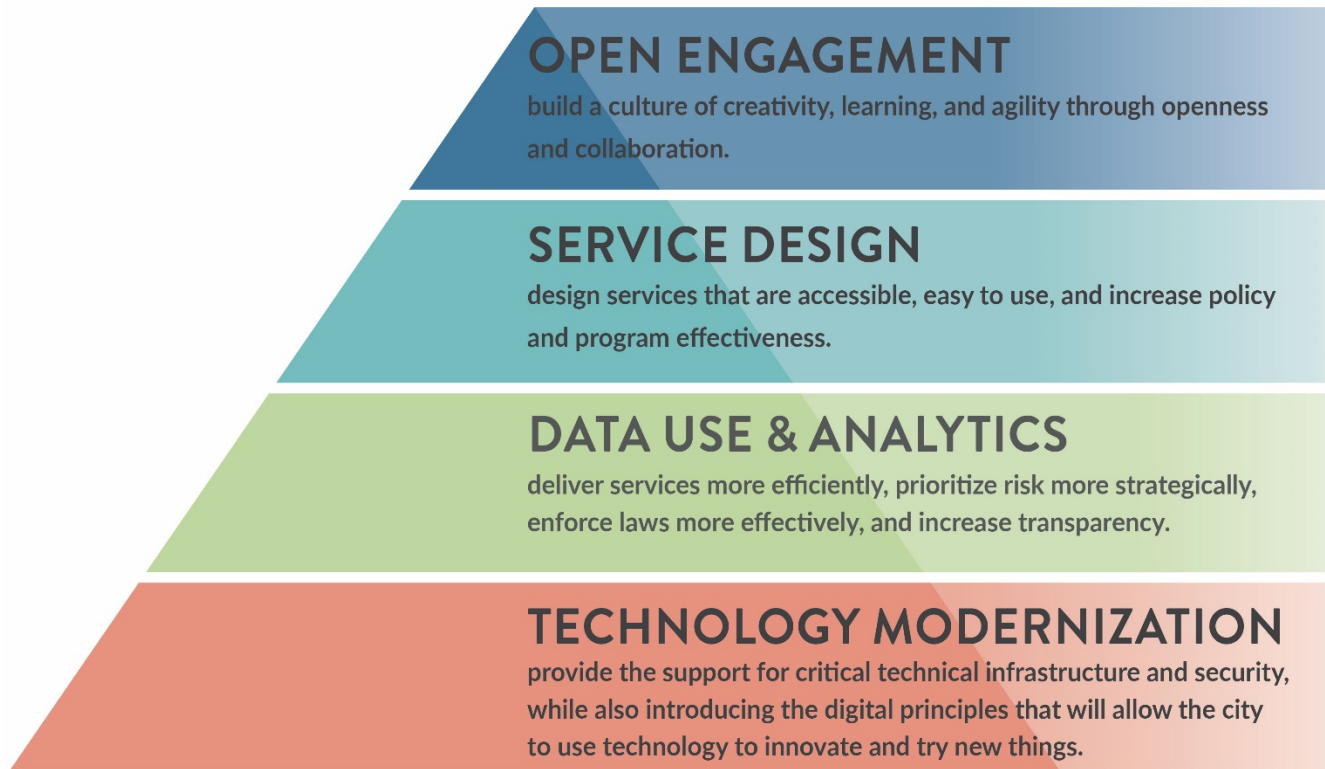
**File No.:** \_\_\_\_\_

**Council Meeting:** \_\_\_\_\_

**Disposition:** \_\_\_\_\_



Four areas of focus are shown in a pyramid to indicate the need for a strong foundation for other work to be successful.



The foundation of this pyramid is a modern technology. The department will focus on ensuring employees have the speed and connectivity they need, tech support that solves problems quickly and with little impact, a network that is stable and secure, and forward-thinking standards and policies around the technology the City buys and uses.

The second layer of the pyramid is data. The goal is to build a culture of analytics and performance measurement to help the City deliver services more efficiently, prioritize risk more strategically, enforce laws more effectively, and increase transparency.

Service design is the practice of product management and human-centered design methods to continuously improve the delivery of services by making things easy to use, accessible, and effective.

The top of the pyramid is the department’s contribution to the City’s culture of creative problem solving, learning, and collaboration across departments and with the community. The department will work to improve the City’s community engagement practices and focus on ensuring services are equitable and always getting better.

The strategic framework will inform two other plans. One is an [annual workplan](#) that details specific projects, initiatives, and objectives. The department will also create a governance structure and multi-year technology improvement plan that identifies major technology projects and funding sources. This will be updated annually with the City’s budget process, like the City’s Capital Improvement Plan.

While this framework looks out several years, staff recognizes the pace of change will require us to periodically review and update this framework as circumstances and expectations change.

**COMMUNITY OUTREACH:**

Department staff conducted both internal and external outreach to get feedback from employees and community members. Over the past two months, department staff made presentations to other departments and work groups. A [public facing webpage and video](#) was shared with the community. Both employees and community members were asked to provide feedback via an online survey. Department staff also received feedback via email and one-on-one meetings. Below is a summary of the feedback we received and changes we made to the strategic framework.

Feedback Received	Changes Made
Not sure what the department does; how the department will achieve its goals	Added section “How we accomplish our goals” and <a href="#">a link to the annual workplan</a>
Purpose of the department is buried in the framework	Made purpose statement more prominent, on cover and first page.
The overview section is boring and loses the reader	Removed overview and added background information into FAQ on the Department website.
Reduce jargon and simplify message	Reduced use of jargon and clarified language throughout, including: <ul style="list-style-type: none"> <li>• Rewrote and clarified language for open engagement, service design, product management, privacy</li> <li>• Added more emphasis around user experience</li> <li>• Added explanation of the focus area pyramid</li> <li>• Changed “Digital Divide” title to “Equity”</li> <li>• Added clarity around internal (employees) versus external (community) focuses</li> </ul>
Training should be listed under the list of service offerings	Added training to service offerings; combined vendor evaluation and software terms review
Service offerings should be earlier in the document	Moved service offerings before areas of focus
Icon line sizes should be the same	Revised icons for service offerings (thanks to community member Paula Doubleday!)
Area of focus acronyms and numbers feels overly bureaucratic	Eliminated the focus area acronyms and numbering
Concerned about added cost of new department	Added <a href="#">FAQ</a> to the Department webpage and clarified no added cost

**FISCAL IMPACT:** No direct fiscal impact.

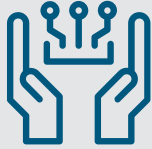
**OPTIONS:** The City Council has the following options to consider on this matter:

1. Accept informational report and provide feedback.
2. Direct staff to return with more information.
3. Take no action.

**RECOMMENDED ACTION:** Accept informational report.

**ATTACHMENTS:**

1. Draft strategic framework



# DIGITAL SERVICE AND OPEN GOVERNMENT **STRATEGIC FRAMEWORK**

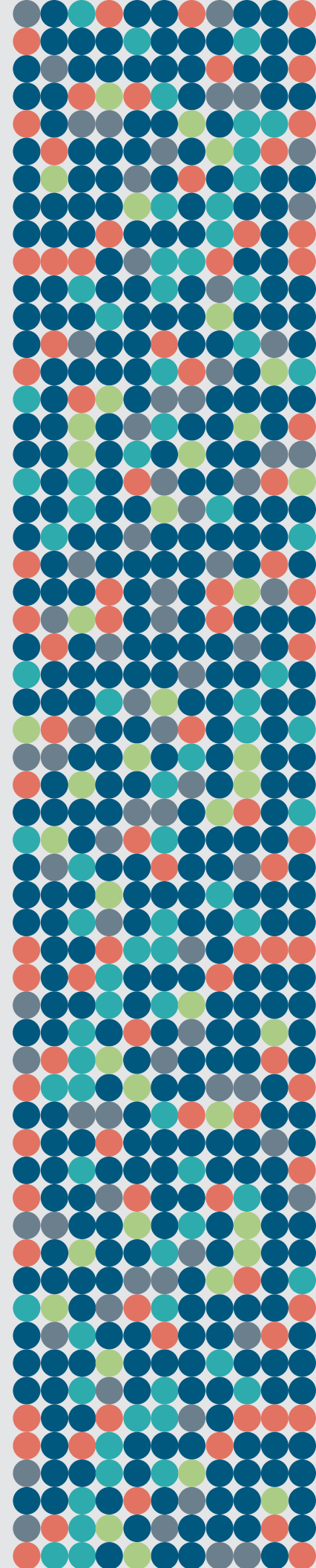
*Making City services easy to use,  
and work for everyone.*



**SAN RAFAEL**

DIGITAL SERVICE &  
OPEN GOVERNMENT

JULY 2019





## PURPOSE ● ● ● ● ●

To make City services easy to use, and work for everyone.

## WE STRIVE TO BE:

- Reliable and trusted
- Human-centered and empowering
- Open and transparent
- Inclusive and collaborative

## WE BELIEVE:

- Government should be designed with and for people.
- Data and information empower people to make good decisions.
- Building capacity at all levels of the organization is the key to sustainable, digital transformation.
- The future of technology infrastructure is agile, adaptable, and accessible.
- Openness and transparency make for better government.





## VISION



The new demands of the digital era require a new approach to government. Community expectations of how government communicates, engages, and delivers services are changing. Our response is to assess what is working, what is broken, and transform services to meet the needs of our users and the expectations of the modern era.

The core purpose of our department is to help make City services easy to use and work for everyone. We do this by leveraging digital principles such as designing with our users, practicing continual improvement, using data to drive decisions, addressing privacy and security, and leveraging modern technology.

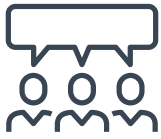
We serve to proactively empower and support City departments in delivering modern services that meet the needs and exceed the expectations of the community, especially people who need help the most. That means community voices are heard, more services are available online, and government processes make sense.

*“If we truly care about outcomes, it is not enough to just provide a service. We must design the delivery of services so they work from the community’s perspective and thus, that government works for everyone.”*

*- Jim Schutz,  
City Manager*

# HOW WE WORK

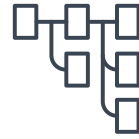
We help City Departments...



Get feedback and input from the community



Learn about what your users want and need



Map processes or workflows



Design things people want to use



Analyze & act on data



Measure results and impact



Evaluate and select a technology solution or vendor



Provide training & education

## AREAS OF FOCUS

This pyramid illustrates our department's areas of focus and how success in each of these areas is interrelated.

### OPEN ENGAGEMENT

build a culture of creativity, learning, and agility through openness and collaboration.

### SERVICE DESIGN

design services that are accessible, easy to use, and increase policy and program effectiveness.

### DATA USE & ANALYTICS

deliver services more efficiently, prioritize risk more strategically, enforce laws more effectively, and increase transparency.

### TECHNOLOGY MODERNIZATION

provide the support for critical technical infrastructure and security, while also introducing the digital principles that will allow the city to use technology to innovate and try new things.



## OPEN ENGAGEMENT

Our Department strives to build a more inclusive, participatory, and engaged community in San Rafael by making residents, community stakeholders, and business owners a part of the conversation.

### ***Engagement & community partnerships***

Create opportunities to listen to the community. Build strong relationships with community partners to encourage participation, volunteerism, civic engagement, and public involvement in City decision-making processes.

### ***Communication & outreach***

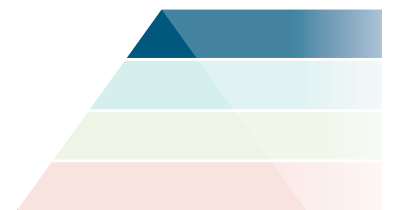
Provide information that is transparent, timely, and accurate, aiming to reach all audiences through a variety of communication outlets.

### ***Equity***

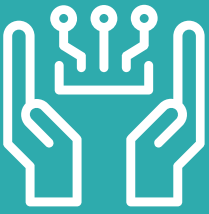
Increase engagement in underserved communities and encourage the voices of residents typically not heard in the public process. Expand digital access in underserved communities to create more opportunities for economic mobility and civic involvement.

### ***Continuous learning and improvement***

Create feedback tools and methods to measure success of services and engagement. Provide training opportunities for City staff to practice continuous learning and improvement.







## SERVICE DESIGN

Government services should be easy to use, accessible, and designed with an understanding of user needs.

### ***Human-centered design***

Apply the principles of human-centered design and empathy to orient services around user needs and build trust with the public.

### ***Accessibility***

Ensure government services are accessible to people with disabilities, different cultures, on any device, and in multiple languages.

### ***Project management***

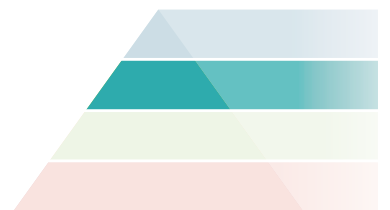
Evangelize and modernize approaches to project management and be a leader in getting things done on time and on budget.

### ***Product management***

Build a culture that champions the continuous improvement of user experience and service delivery.

### ***Tools***

Provide collaborative and modern tools that empower employees to do their best work.





## DATA & ANALYTICS

Data is an abundant and powerful asset that can impact everything from service delivery to program management, to policy making. We will lead the way to a data-centric city by investing in improved data access, management, and use by city employees and the community. We will use analytics tools to deliver services more efficiently, prioritize risk more strategically, enforce laws more effectively, and increase transparency.

### ***Data use and analytics***

Improve data literacy through programs that will help employees explore, refine, and enhance skills in data use, data management, and analytical skills in service of their role. Use data to identify patterns and trends that enable better policy decisions, and prioritize work for greater impact.

### ***Data governance and management***

Ensure data is treated as a strategic asset through data quality control, lifecycle management, internal data access and infrastructure, external access and risk management, and opportunities for use and reuse.

### ***Privacy***

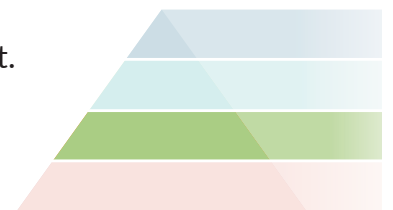
Protect data, react appropriately to breaches, and secure user privacy as well as guard the privacy of residents and businesses in our community.

### ***Performance Metrics***

Improve the efficiency and cost-effectiveness of services by building data-driven feedback loops and aligning toward measurable impact and outcomes.

### ***Data sharing***

Share meaningful data and support the use of open data within and outside of the city while improving transparency and trust in government.





## TECHNOLOGY MODERNIZATION

We will serve the City Departments' use of technology by providing support for critical technical infrastructure and security. We will introduce principles and provide the guidance that will allow staff to use technology to innovate and try new things.

### ***Speed & connectivity***

Provide stable, high-capacity, and resilient wireless, broadband, wifi systems for City staff, services, and facilities.

### ***Tech support***

Provide 24/7 support that meets the needs of employees, minimizes disruptions, and expedited resolution of issues.

### ***Network***

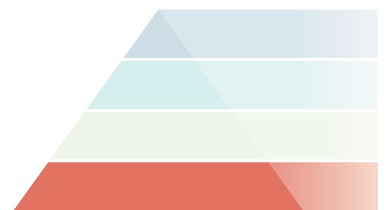
Support the present and future needs of City departments with secure and stable solutions, integrated tools, and streamlined maintenance.

### ***Security***

Protect the City network against security threats through maintenance, monitoring, user training, and education.

### ***Technology standards and policy***

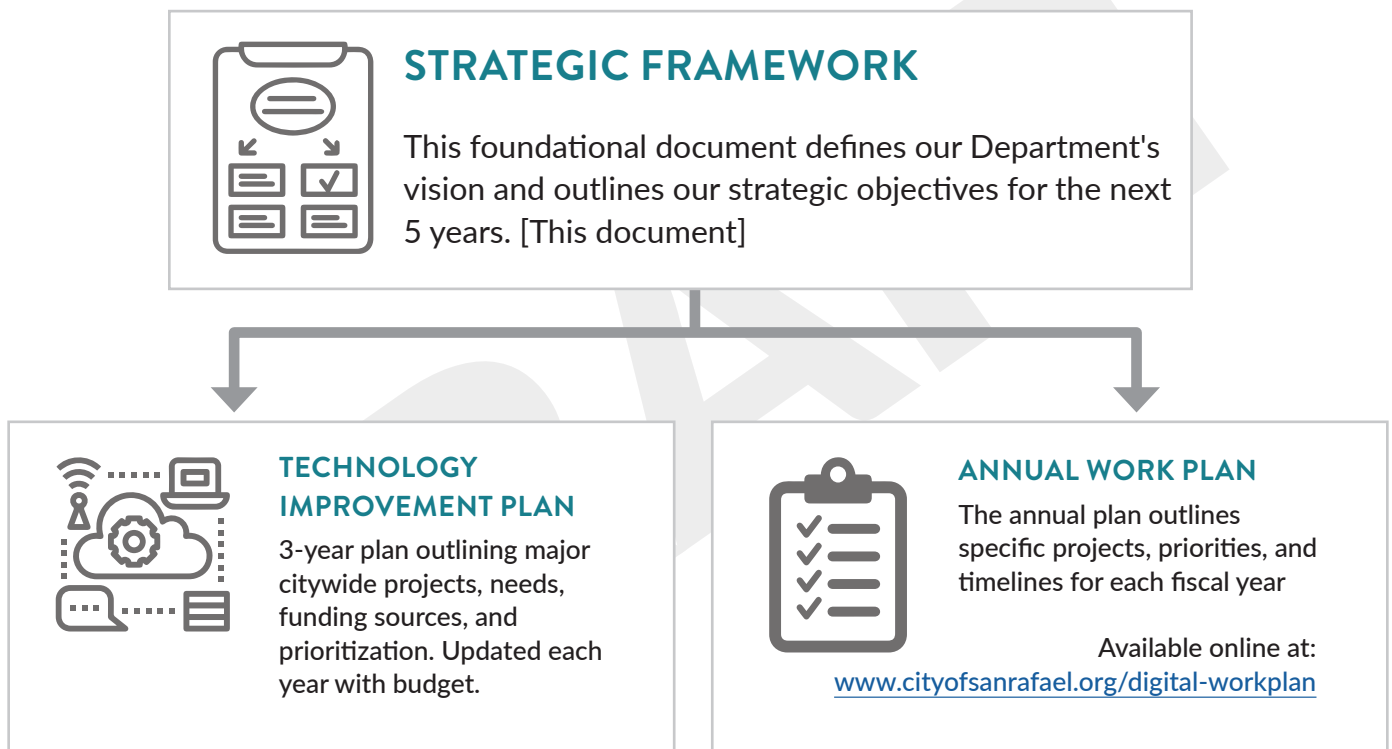
Define standards, policy, and guidelines for technology and software purchases and usage, including guidance for open source.



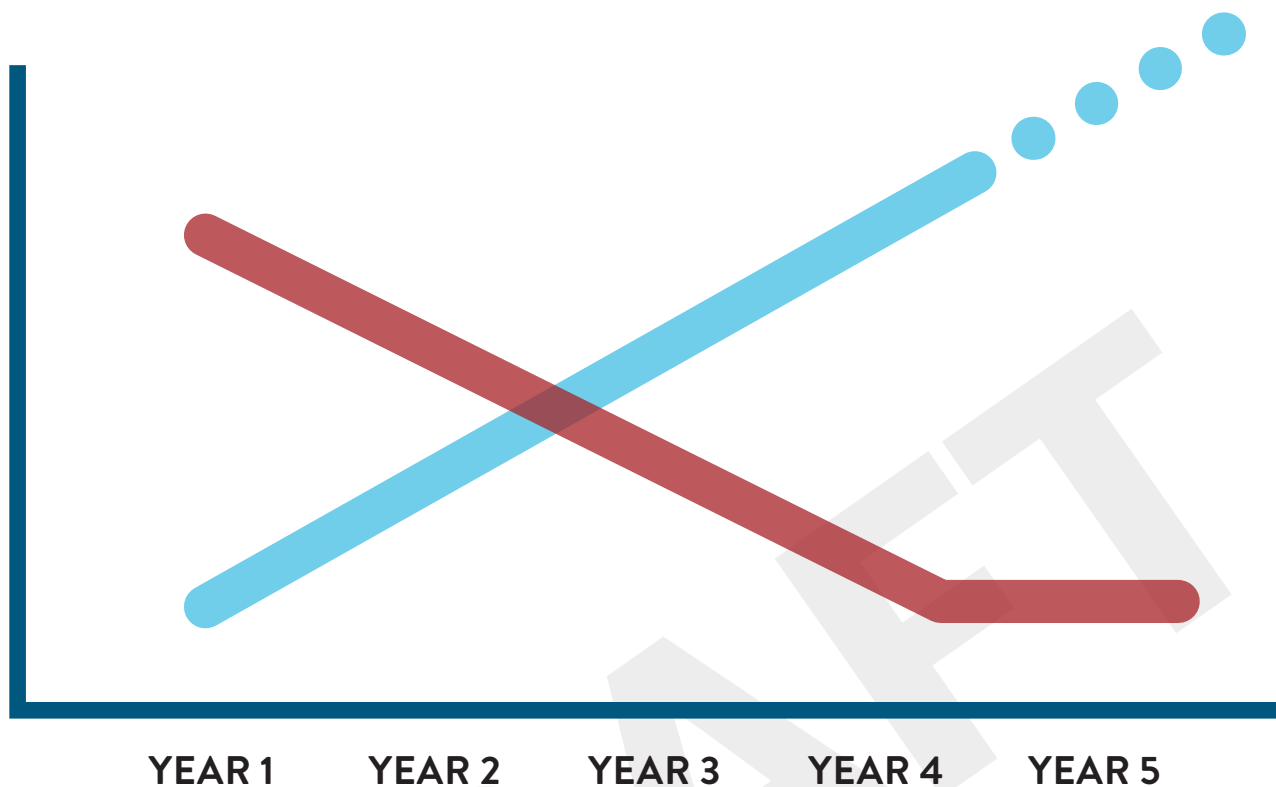
# HOW WE ACCOMPLISH OUR GOALS

Our goals are ambitious and the vision for human-centered government service cannot be achieved overnight. This Strategic Framework document serves as a foundation for our Department and outlines the principles and values that will inform our work in the years ahead.

Specific projects and actions are outlined in a workplan that will be developed and assessed each fiscal year. Additionally, our Technology Improvement Plan will identify technology infrastructure projects that will support the goal of modernizing technology Citywide.



# TIMELINE & PRIORITIES



## ***Building a Foundation***

This graph shows how projects in both our annual work plan and the 3-year technology improvement plan will, in earlier years, be more heavily focused on building a strong foundation. These include efforts to streamline our services, reduce disruptions and outages, increase connectivity, and move away from legacy systems.

## ***Target Goals***

Over time we hope to ramp up efforts to reach our goals to better engage with broader cross-sections of the community, build a culture of data and human-centered problem-solving, and measure performance of City services around outcomes and impact.



**SAN RAFAEL CITY COUNCIL STAFF REPORT**

Department: Police

Prepared by: Glenn McElderry, Captain

City Manager Approval: 

**TOPIC:** Response to the Grand Jury Report on School Resource Officers

**SUBJECT:** RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT ENTITLED "SCHOOL RESOURCE OFFICERS REVISITED"

**RECOMMENDATION:**

Adopt a resolution approving and authorizing the Mayor to execute the City of San Rafael's response to the Marin County Civil Grand Jury Report entitled, "School Resource Officers Revisited".

**BACKGROUND:**

On May 30, 2019, the 2018-2019 Marin County Civil Grand Jury released a report entitled "[School Resource Officers Revisited](#)" (Attachment C). The Grand Jury report addresses the history and importance of School Resource Officers (SROs) in Marin County. The report outlines the roles and responsibilities of the SROs, how they are selected and what training they receive or should receive. The benefits and values of the SROs are addressed along with what opposition exists to these officers being in our schools. Finally, the report provides a status of SROs in Marin County and how they are funded.

The Grand Jury Report presents the following findings:

- F1. School Resource Officers promote strong collaborative relationships between schools and law enforcement that benefits the entire community. School districts and municipalities that have SRO programs praise them highly.
- F2. SRO programs are wise investments that help provide safe learning environments for students, reduce crime, and build strong relationships with students, parents, and school staff.
- F3. Assigning officers to be dedicated, full-time SROs for longer terms isn't always a high priority or financially feasible but can be a wise investment that yields substantial benefits to students, schools, and their communities.
- F4. Continuity is essential for SRO programs to thrive. When SROs serve for limited or uncertain terms, their effectiveness can decrease.

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**FOR CITY CLERK ONLY**

**File No.:**

**Council Meeting:**

**Disposition:**

## **SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2**

- F5. The Sheriff's Department has one SRO to cover all the county's unincorporated areas and assists any school or SRO in the county that requests help, which is insufficient.
- F6. The City of San Rafael has one SRO for over 7300 students, which is insufficient.
- F7. Mill Valley does not have a full-time SRO to regularly visit its schools, which limits its SRO's ability to build relationships with students and school staff.
- F8. Training for SROs in Marin County is inconsistent. The role of an SRO significantly differs from that of a patrol officer and requires specialized training.
- F9. Officers serve as SROs for terms varying from three to five years. Three-year assignments are barely adequate, and four to five-year terms are preferable.
- F10. With the exception of the Central Marin Police Authority, most communities fund SRO programs on a year to year basis. Other communities lack reliable sources of funding.
- F11. With the exception of Novato, the costs of the SRO programs are financed by the local police budgets or the Sheriff's budget with no financial contribution by the school districts. The districts' participation in SRO funding is lacking.
- F12. Collaboration between the SROs improves their effectiveness, but they do not meet regularly or frequently to exchange ideas and information. MCOE's School / Law Enforcement Partnership (SLEP) partially fills that deficiency, but additional organization is needed.

The Grand Jury Report presents the following list of recommendations:

- (R-1) SRO programs in Marin County should be retained or expanded where they now exist. SRO programs should be established to cover those school districts where they do not exist.
- (R-2) Municipalities, school districts, and law enforcement agencies in Marin County should make SRO programs a high budgetary priority.
- (R-3) To insure continuity, each SRO should be assigned to serve for at least a four-year term.
- (R-4) The Marin County Sheriff's Office should have two additional full-time SRO positions.
- (R-5) The City of San Rafael should have at least one additional full-time SRO.
- (R-6) Mill Valley should employ a full-time SRO who regularly visits its schools rather than simply assigning an officer to be on call for its schools.
- (R-7) All SRO's should complete SRO POST training by July 1, 2020.
- (R-8) Law Enforcement agencies should fund additional training for SROs that will help them keep up with and handle their responsibilities.
- (R-9) School districts should take the lead in working with their city councils and law enforcement agencies to employ and maintain a sufficient number of SROs.

## **SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 3**

- (R-10) School districts and municipalities should explore funding sources such as grants, bond issues, special taxes, and other sources.
- (R-11) School Districts and municipalities should consider sharing the costs and services of SRO programs.
- (R-12) County law enforcement agencies should provide the time and facilities for the SROs to meet regularly to exchange information, ideas, and discuss new trends by October 1, 2019.

The Grand Jury Report, dated May 23, 2019, was distributed to the County of Marin and all cities/towns in Marin County. The City of San Rafael has been requested to respond to Recommendations R1-3, R5, R7, R8, R10-12.

The City is required to respond to the Grand Jury Report. Penal Code Section 933 states in part:

“No later than 90 days after the Grand Jury submits a final report...the governing body of the public agency shall comment to the presiding Judge of the Superior Court on the findings and recommendations... [contained in the report].”

To comply with this statute, the City's response to the Grand Jury report must be approved by Resolution of the City Council and submitted to the Presiding Judge of the Marin County Superior Court and the Foreperson of the Grand Jury by August 30, 2019. A proposed Resolution is attached that would approve the City's response, a copy of which is attached hereto as Attachment B.

### **ANALYSIS:**

The City of San Rafael has one full-time School Resource Officer (SRO) and acknowledges the positive impact the position makes with students, school staff and the community. There are no plans to eliminate this position. In fact, staff has been exploring funding sources for an additional SRO. Staff agrees that one full time SRO is insufficient for the student population that is served. Recently, we have partnered with the San Rafael City Schools to apply for a grant for an additional SRO to conduct tobacco education and enforcement at the 13 schools within the district. If approved, this grant would provide funding for the second SRO through 2024.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this action.

### **OPTIONS:**

The City Council has the following options to consider relating to this matter:

1. Adopt resolution as presented.
2. Adopt resolution with modifications.
3. Direct staff to return with more information.
4. Take no action.

### **RECOMMENDED ACTION:**

Adopt a resolution approving and authorizing the Mayor to execute the City of San Rafael's response to the Marin County Civil Grand Jury Report entitled, "School Resource Officers Revisited".

### **ATTACHMENT:**

1. Resolution
  - A. Exhibit to Resolution: Response to Grand Jury Report Form
  - B. Grand Jury report dated May 23, 2019



**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL  
APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE  
RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT  
ENTITLED, "SCHOOL RESOURCE OFFICERS REVISITED"**

**WHEREAS**, pursuant to Penal Code section 933, a public agency which receives a Grand Jury Report addressing aspects of the public agency's operations, must comment on the Report's findings and recommendations contained in the Report in writing within ninety (90) days to the Presiding Judge of the Superior Court with a copy to the Foreperson of the Grand Jury; and

**WHEREAS**, Penal Code section 933 specifically requires that the "governing body" of the public agency provide said response and, in order to lawfully comply, the governing body must consider and adopt the response at a noticed public meeting pursuant to the Brown Act; and

**WHEREAS**, the City Council of the City of San Rafael has received and reviewed the 2018-2019 Marin County Civil Grand Jury Report, issued May 30, 2019, entitled "School Resource Officers Revisited" and has agenzized it at this meeting for a response.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of San Rafael hereby:

1. Approves and authorizes the Mayor to execute the City of San Rafael's response to the 2018-2019 Marin County Civil Grand Jury Report, issued May 30, 2019, entitled "School Resource Officers Revisited", a copy of which is attached hereto.
2. Directs the City Clerk to forward the City's Grand Jury Report response to the Presiding Judge of the Marin County Superior Court and to the Foreperson of the Marin County Civil Grand Jury.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the San Rafael City Council held on August 5, 2019 by the following vote to wit:

**AYES:            Councilmembers:**

**NOES:            Councilmembers:**

**ABSENT:        Councilmembers:**

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**LINDSAY LARA, City Clerk**

## RESPONSE TO GRAND JURY REPORT FORM

Report Title: School Resource Officers Revisited

Report Date: May 23, 2019

Public Release Date: May 30, 2019

Response By: Mayor Gary Phillips and San Rafael City Council

### FINDINGS:

- We agree with the findings numbered N/A
- We disagree wholly or partially with the findings numbered N/A

### RECOMMENDATIONS:

- Recommendations numbered R1, R2, R7, R8 and R10 have been implemented.  
(See Attachment A)
- Recommendation numbered R12 has not yet been implemented but will be implemented in the future.  
(See Attachment A)
- Recommendations numbered R5, R11 requires further analysis.  
(See Attachment A)
- Recommendations numbered R3 will not be implemented because they are not warranted or are not reasonable.  
(See Attachment A)

Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Gary O. Phillips, Mayor

Attest: \_\_\_\_\_  
Lindsay Lara, City Clerk

## ATTACHMENT A

### RECOMMENDATIONS:

**R1. SRO programs in Marin County should be retained or expanded where they now exist. SRO programs should be established to cover those school districts where they do not exist.**

*Response:* Agreed. The City of San Rafael has no plans to eliminate the SRO program and is continually researching for funding to add another position.

**R2. Municipalities, school districts, and law enforcement agencies in Marin County should make SRO programs a high budgetary priority.**

*Response:* Agreed. Our SRO position is extremely important for the schools, the community and the police department. The position is funded by the police department budget and was maintained even through the most recent economic recession.

**R3. To insure continuity, each SRO should be assigned to serve for at least a four-year term.**

*Response:* Disagree. Our SRO position has historically been a three-year assignment. This allows for more opportunity for our officers to be an SRO. We have not seen a necessity to extend it to four years.

**R5. The City of San Rafael should have at least one additional full-time SRO.**

*Response:* Agreed. We value the SRO position and continue to seek funding for another SRO. A second SRO would be very beneficial to the community.

**R7. All SRO's should complete SRO POST training by July 1, 2020.**

*Response:* Agreed. Our current SRO attended POST SRO Training in October 2018.

**R8. Law Enforcement agencies should fund additional training for SROs that will help them keep up with and handle their responsibilities.**

*Response:* Agreed. Upon entering the assignment of School Resource Officer, our officer is scheduled for POST School Resource Officer training as soon as possible. The SRO also attends 80 hours / two-week Core Investigative course along with Parent Project training as part of their duties.

**R10. School districts and municipalities should explore funding sources such as grants, bond issues, special taxes, and other sources.**

*Response:* Agreed. We are partnering with the San Rafael City Schools to apply for a grant for a School Resource Officer (SRO) to conduct Tobacco education and enforcement at the 13 schools within the district. The California Healthcare, Research and Prevention Tax Act of 2016 (Proposition 56) provides local public agencies with funding to promote a healthier California by reducing illegal sales and marketing of cigarettes and tobacco products to minors. The Office of the Attorney General makes these annual funds available to local law enforcement agencies through the California Department of Justice Tobacco Grant Program. If approved, this grant would provide funding for a second SRO through 2024.

**R11. School Districts and municipalities should consider sharing the costs and services of SRO programs.**

*Response:* Agreed. The cost of the SRO program whether there is one or two SROs, should involve cost sharing between the school districts and municipalities. The City has had ongoing discussions with the San Rafael City Schools, but other than the grant referred to in response to R10, no definite sharing arrangements have been developed.

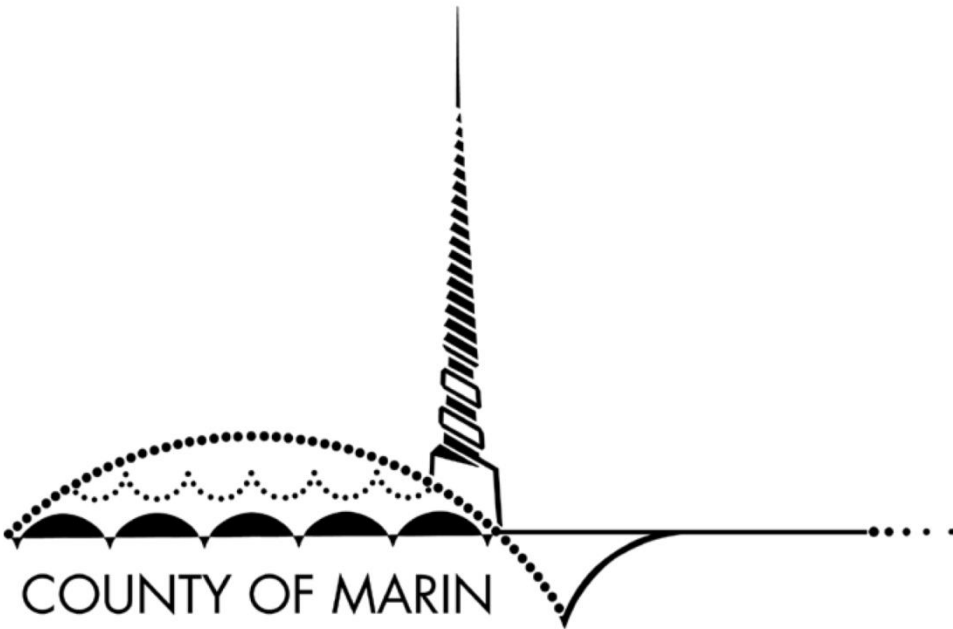
**R12. County law enforcement agencies should provide the time and facilities for the SROs to meet regularly to exchange information, ideas, and discuss new trends by October 1, 2019.**

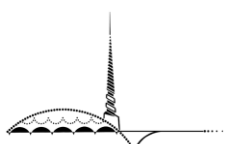
*Response:* Agreed. The county's SRO's should regularly to exchange information. The City will be working with other County law enforcement agencies to implement this.

# School Resource Officers Revisited

Report Date: May 23, 2019

Public Release Date: May 30, 2019





## School Resource Officers Revisited

### SUMMARY

School Resource Officers (SROs) are law enforcement officers who serve as counselors, role models, and advocates for students while keeping them safe. They have received specialized training that enables them to develop positive working relationships with students, school staff, law enforcement, other first responders, and community groups. Because of this, their physical presence at schools gives students, parents, teachers, and community members greater assurance that their schools are safe learning environments.

SROs primary assignments are to:

1. Help provide a safe learning environment for students.
2. Counsel, educate, and build relationships with students.
3. Enforce laws.

Although SROs are sworn law enforcement officers, they do not enforce school policies or maintain discipline. Instead, they focus on building strong, approachable relationships with students and staff, and on identifying and preventing inappropriate behavior on school grounds and throughout the community.

School safety is a concern for every community in Marin and in preparing this report, the Marin County Civil Grand Jury consistently heard positive comments about the importance of SROs in maintaining school safety. The Grand Jury also learned that resources to help provide safety at schools differ significantly throughout the county. Only a few school districts have full-time SROs. Others are served by the single SRO employed by the Sheriff's Office, who covers 34 schools with over 9,200 students, throughout a 521 square mile territory. Disturbingly, some schools have no assigned SRO coverage.

Funding SROs to serve at schools in Marin County is a sound investment because it prevents crime and teaches students to trust and work with law enforcement officers and other authority figures. It also helps students become more civic-minded and involved in local affairs. Municipalities and school districts in Marin should work to find funding so they can provide SRO services at their schools.

### BACKGROUND

The 2009-2010 Marin County Civil Grand Jury Report, entitled *School Resource Officers: A Proactive Approach to School Safety*<sup>1</sup>, recommended that SRO programs be retained in schools where they existed and be established in those where they did not. It also made two other recommendations: 1) that the public entities in Marin County make the SRO program a budgetary priority; and 2) that school communities take the lead in working with their city

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<sup>1</sup> ["School Resource Officers: A Proactive Approach to School Safety."](#) *Marin County Civil Grand Jury*. 22 Jun. 2010.

councils and law enforcement departments to identify sustainable funding to maintain a sufficient number of SROs.

When the 2009-2010 report was issued, the Marin County Sheriff's Department provided one SRO for the 6,187 students in the 11 school districts in the county's unincorporated communities. The Twin Cities Police Department, now a part of the Central Marin Police Authority, had one SRO for the 2,100 students in two school districts; Novato provided two SROs for the 8,050 students in its only school district; and the San Rafael Police Department furnished one SRO for 5,900 students in its five districts.

Since publication of the 2009-2010 Marin County Civil Grand Jury report, tragic incidents on school campuses have continued nationwide. During that time, the proliferation of guns, semi-automatic weapons, and drugs has skyrocketed, and social media has become a central part of students' lives. In addition, new security techniques and standards, physical and structural improvements, and technological innovations have become available to make schools safer and more secure. In light of those and other changes, the 2018-2019 Marin County Civil Grand Jury decided to revisit the county's SRO programs, and to look into whether coverage at our local schools is sufficient, and if it is not, what changes should be made.

## **APPROACH**

The 2018-2019 Grand Jury interviewed officials of the Marin County Office of Education, current SROs in the county, former SROs, police chiefs, a school district superintendent, and a Sheriff's officer. The Grand Jury also attended presentations sponsored by community, education, law enforcement departments, and developers of school safety programs. Members of the Grand Jury joined SROs on "ride-alongs" during which they visited a number of schools and attended school safety drills. A written survey of school districts was also conducted.

## **DISCUSSION**

SROs have served in Marin since the 1950s. In the late 1990s, in response to shootings on school campuses, the push to establish SRO programs gained momentum nationwide. The presence of SROs on school campuses helps students, parents, and school staff feel safer and more secure.

According to a 2018 study by the National Center for Education Statistics, 42 percent of public schools surveyed reported that they had at least one SRO present at least one day a week during the 2015-2016 academic year.<sup>2</sup> Because fewer private schools have SROs than public schools, the National Association of School Resource Officers (NASRO) estimates that approximately 20 percent of all U.S. K-12 schools, both public and private, are served by SROs.<sup>3</sup> It should be noted that many SROs serve more than one school and some schools have more than one SRO.

Although SROs have a long history in Marin County schools, they have not been, and are not, at every school. Furthermore, officers may not be dedicated, full-time SROs and since they are police officers, they may be assigned to other non-SRO duties.

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<sup>2</sup> "[Spotlight 1: Prevalence, Type, and Responsibilities of Security Staff in K-12 Public Schools.](#)" *National Center for Education Statistics*. 18 Mar. 2018.

<sup>3</sup> "[Frequently Asked Questions.](#)" *National Association of School Resource Officers*. Accessed 11 Apr. 2019.

## **Roles and Responsibilities of SROs**

In Marin County, SROs' primary role is to ensure that students have a safe and secure learning environment. To do so, they work closely with school administrators and staff. They do not focus on enforcing school policies or disciplining students or act as "campus cops." Disciplining students who violate school policies is the responsibility of the school. However, SROs will report or even arrest students when they observe them committing crimes.

SROs have a wide range of duties and responsibilities that include:

- Enhancing the safety of the school environment by working with staff, students, and other members of the school community to identify students who may be a danger to themselves and/or others. SROs also monitor juvenile crime trends.
- Developing positive, trusting relationships with students by being approachable, honest, and responsive.
- Mentoring, counseling, and mediating, all of which help to prevent negative incidents and behavior. The presence of an SRO also helps to cultivate a positive relationship between law enforcement and the community.
- Working with students and teachers to recognize signs of students in distress and potential crisis, who may endanger themselves or others.
- Maintaining visibility within the school by visiting campuses and interacting with students when they are not in class, attending school functions such as sports and social events, and being available to assist administrators and students during the school day.
- Establishing and maintaining close partnerships with school administrators, counselors, and teachers by assisting in the development of school safety plans, conducting school safety drills, and responding to calls for assistance. SROs train teachers to be aware of students' behavior and provide information on how to recognize signs of drug use, gang affiliation, and sex trafficking.
- Teaching and working with students to help them understand the laws, the reasons they exist, and the legal implications of their actions. SROs provide classroom instruction and individual counseling on issues including gangs, drug and alcohol abuse, peer pressure, gender identification and bullying. SROs also address graffiti and other vandalism, dating violence, conflict resolution, and hate crimes.
- Investigating allegations of criminal incidents that occur on or near school campuses. For example, officers respond to reports of theft, assault, and possession of weapons, sale or possession of illegal substances, cyber-crimes, and gang activity.
- Participating in meetings and events presented by school, community, other groups, and other SROs.



## **Selection and Training**

Selecting the right person to serve is critical. In the past, SROs in Marin County tended to be older police officers who, after years of service, were parked at schools awaiting retirement. This practice often discouraged young officers who wanted to work with juveniles from applying for these positions.

Now, the trend in Marin County has moved toward selecting younger candidates who want to and will work well with youngsters. Since these SROs are closer in age to students, they're more aware of student trends, needs, mindsets, and cultures. As a result, they usually relate and interact well with students.

SROs must enjoy working with students. Candidates will be working in an educational environment rather than on the streets and must understand the environment in their schools and the impact that their actions, or lack of actions, could cause. Since the backgrounds and demographics of student bodies can be so diverse, SROs must also be open, flexible, well rounded, and understanding.

Some police officers may not be suited to be SROs; they may not be comfortable or willing to work with students or to work in school settings. All of the SROs interviewed by the Grand Jury stressed that they enjoyed working with young people and most of them coached or were involved with youngsters in sports and other outside-of-school activities.

SROs receive specialized training to develop effective communication with students, teachers, school administrators, and families. They must be able to develop trusting relationships with students so the students will have the confidence to report potentially dangerous incidents and ask for help.

Most important, SROs must be vigilant. They must know how to anticipate, accurately assess, and diffuse conflict situations and know when and how to act in order to prevent crises. When they anticipate or come across problems, they must respond quickly to prevent those situations from escalating.

Training for SROs in Marin County is inconsistent. Most SROs are required to complete a five-day course conducted by Police Officer Standards of Training (POST) in Sacramento. Some, however, have not completed the course. In law enforcement, numerous specialized continuing education courses are offered. Some courses may be required for specific positions or advancement. Typically, SROs try to take these additional courses in order to better understand new laws, approaches, and techniques. Subjects covered in these courses include:

- Juvenile law
- School law
- Community policing
- Instructional techniques and lesson planning
- Communication and presentation skills
- Counseling
- Child abuse
- Harassment and bullying
- Substance abuse
- Dysfunctional families
- School safety
- Students with special needs

- Emergency management
- Crime prevention/proactive techniques
- Training in juvenile trends, behavior and current interests
- Immigration problems
- Training in LGBTQIA issues
- Cyber and technical crimes

Requests for additional training cannot always be approved, based on budget, staffing, and other considerations.

Some SROs who were interviewed questioned the relevance of particular material in their POST training. Some courses covered familiar information. Some interviewees felt that their training didn't adequately prepare them to work with and build relationships with students. They felt the curriculum could be improved by including training on how to recognize and deal with student trends and juvenile behavior.

In SRO programs, continuity is essential. When students see SROs on campus frequently, they're more likely to feel comfortable around them and they're more likely to respect them, rather than fear them. Continuity helps students and SROs build relationships. These relationships are strengthened when students see the same SROs in middle school and continue to see them throughout high school. Some school districts believe the ideal standard is for an SRO to serve a middle school, and also the high school that those middle schoolers will attend.

The length of an SRO's assignment is also important in building continuity and relationships. SROs have many duties and tasks. Most need time to settle in, learn the ropes, build relationships, and master their jobs. When SROs serve for short terms and have to cover multiple schools at scattered locations, it's hard, if not impossible, to establish continuity. Students also need time to become comfortable with an SRO.

Currently, most dedicated SROs in Marin County serve three to five-year terms. The Grand Jury found that three-year assignments were barely adequate and four to five-year terms were preferable. Assigning officers to be dedicated, full-time SROs for a four- or five-year term isn't always feasible but can be a wise investment that yields substantial benefits to students, schools, and their communities.

### **Benefits and Value of School Resource Officers**

Measuring the full value of an SRO is difficult because of the preventative nature of the job. In addition, the benefits of relationships forged with students, school personnel, and community members may not manifest themselves for years. Society is constantly changing, and many changes often begin and take root in schools. SROs must adapt to those changes as their roles and conditions also change.

The benefits that SROs provide, according to NASRO are:

- Prevention or minimization of property damage at the school and surrounding areas.
- Prevention of student injuries and even death due to violence, drug overdoses, etc.
- Reduction of the need for schools to call 911.
- Reduction of the likelihood that a student will get a criminal record.
- Increased likelihood that students (particularly those with mental health issues) will get the help they need from the social service and health care systems.
- Increased feelings of safety among students and staff.

In Marin County, SROs provide these benefits, but their emphasis has changed. Their top priority is safety. Keeping schools safe and assuring that students have safe learning environments is paramount. SROs also focus on building trusting relationships with students, which frequently entails protecting those students' confidentiality.

Building strong relationships helps keep schools safe. It helps to deter students from committing crimes, decreases students' fear and hostility toward police and other authorities, and encourages students to become involved in civic activities. When young people build trusting relationships with SROs, they learn lessons that can remain with them into adulthood and throughout their lives.

Students today live in a complex world; they face enormous pressures and demands that can be confusing. Some youngsters have it very hard. Many have to deal with issues including gangs, driving safety, cyber-bullying, being outcast, sex and race identification, sexual and parental harassment and abuse, drug and alcohol abuse, depression, and immigration issues. Students have to know laws and regulations and develop sound judgement.

Often, students feel they can't talk to anyone about their problems or what's going on in their lives. When students are used to seeing SROs on campus, they often feel comfortable walking up and speaking with them, and simply speaking with an SRO can help. When students and SROs speak, they can form relationships. Those relationships can give students opportunities to open up to SROs about their problems. When students are comfortable with SROs, students may be more likely to report when they hear about or observe students who are thinking about harming others or themselves. Early detection and intervention are in everyone's best interest. When students and SROs talk, the SROs can refer students to others, such as experts or specialists.

In some communities, gang activity is increasing. The disparity between the haves and the have nots is extreme. Drugs, illegal substances, and vaping are commonplace and bullying and intimidation occur both on and off campus. Student suicide is an ongoing concern. Often, SROs are the first responders, the only ports in storms, the ones who see smoke before fires erupt.

Students break laws; for many, it's a part of growing up. They want to test the waters and see how far they can go. When students break laws, consequences exist, including arrests. SROs know their beats, they know the landscape, the culture, the players, and they know how to respond. They develop instincts that warn them of looming trouble and tell them when to act and when to back off. SROs also develop "touch," a way to respond that can calm, defuse, and settle problems and disputes. They often follow the spirit of the law, rather than the letter of the law, by making lighter, more understanding responses to keep potential problems at bay. They also know when to be tough.

The Grand Jury found that SROs in Marin County are approachable professionals. They take pride in having good relationships with students and in knowing that the schools where they work are safe and trouble free. SROs know that the work they perform is special, unique, that it's based on connecting with students in a personal, non-threatening way.

Every person interviewed for this report made it clear that the reduction or loss of SRO programs would have a negative impact on the safety of schools, and of their communities. Most emphasized the need for more SROs.

## Opposition to SROs

While the positive value of SROs on school campuses is widely accepted, opposing viewpoints exist. Opponents argue that funds allocated to pay for SROs would be better spent hiring additional school personnel such as counselors or social workers. Others believe these monies could fund more important projects such as those to increase school safety and to develop joint student/school programs. Opponents also note that the presence of SROs did not prevent some on-campus shootings and that others were avoided because school staff and students were trained how to act when incidents on campus occurred.

Another fear is that having armed, uniformed SROs patrolling school grounds may psychologically affect students — especially when they can discipline and threaten students and make arrests. The Grand Jury learned that SROs may dress differently at different sites and on different occasions. Dress ranges from standard police uniforms to less intimidating outfits, but they are still required to carry weapons.

Objections to SROs regarding privacy have also been raised. The objectors believe that SROs may intentionally or unintentionally violate students' rights to privacy by reporting what they observe or hear while they're on campus.

In addition, opponents point out that the presence of law enforcement on school campuses results in more student arrests, some of which would have been handled by internal disciplinary systems. Arrests at school, they claim, can alienate students, create hostility to law enforcement and other authorities, and prematurely and unnecessarily expose students to the criminal justice system.<sup>4</sup> Those in favor of SROs say that the increase in arrests is attributable to the fact that students are more willing to report problems to SROs who they trust and with whom they have forged relationships. While students may have been more forthcoming in some instances, no strong evidence exists that students' actions have significantly changed.

Opponents of SROs also state that no empirical evidence exists that SROs keep schools safe. After surveying 23 schools where shootings occurred, including seven that employed an SRO, the Washington Post found that since 1999, only two cases existed where an SRO stopped an active shooter.<sup>5</sup> "During that same time period, at least seven shootings were halted when the gunman's weapons malfunctioned, or they were unable to handle them." While the mere presence of the officers may deter some violence, The Post found dozens of cases where it did not."<sup>6</sup>

Furthermore, those who oppose SROs cite the fact the officer on campus during the February 14, 2018 shooting at Marjory Stoneman Douglas High School in Parkland, Florida did not enter the building while the shooting was taking place. In addition to his inaction, they note that his presence on campus did not hinder the shooter in any meaningful way.

In response, SRO advocates contend that in addition to providing for school safety, SROs provide positive role models for students and help thwart crime and gang activity. They cite numerous instances where SROs' intervention helped students change or avoid antisocial behavior and begin to build productive, law abiding lives. Opponents to this argument point to the lack of evidence that SROs on campus significantly help hinder violent behavior or gang

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<sup>4</sup> "[EDUCATION UNDER ARREST: THE CASE AGAINST POLICE IN SCHOOLS.](#)" *Justice Policy Institute*. Nov. 2011.

<sup>5</sup> Cox, John Woodrow and Rich, Steven. "[Armored school doors, bulletproof whiteboards and secret snipers.](#)" *Washington Post*. 13 Nov. 2018.

<sup>6</sup> *ibid.*

activity. They argue that public policy should be based on solid evidence not anecdotal feel good stories.

### **Current Status of Marin’s SRO Programs**

Since the 2009-2010 Grand Jury report, changes in budgets, student populations, and the number of SROs in the county have occurred. For example, Novato went from two officers, down to zero, and now is back up to two. While the total number of SROs has remained relatively flat, the burden on the Sheriff’s sole SRO has increased because the student population in the area covered has grown significantly.

During the 2018-2019 school year, five full-time SROs were assigned to cover schools in the county and one police officer was on call to schools. The Sheriff’s Department has one dedicated, full-time SRO covering 34 schools and 9,200 students in a 521 square mile territory and is available as a resource for all schools and SROs in the county. NASRO recommends one SRO per 1000 kids.<sup>7</sup>

The span of each SRO’s jurisdiction is as varied as the communities they serve. Assignments range from a small number of schools in relatively close proximity to many schools spread throughout the county. Some SROs cover more than one district. When SROs are assigned elsewhere, other officers handle their school assignments when possible.

SROs who work in Marin County know each other, and in interviews, expressed a sense of camaraderie. Some communicate with each other and occasionally meet. When they do, they often share information, discuss their experiences, and give and receive advice. However, no formal organization exists, and they do not meet on a regular basis. All expressed a desire to meet regularly, beyond their quarterly meetings with the School/Law Enforcement Partnership.<sup>8</sup>

### **Funding**

All school, law enforcement, and community organizations in Marin operate under tight budgets. Funds are in short supply and their allocation is an endless dilemma. Most officials in the county acknowledge the benefits of SRO programs. They would like to have SRO programs, or employ more SROs, but they’ve concluded that they can’t afford them. Even if funds became available, other, more pressing needs would probably take precedence, the Grand Jury was told.

The Grand Jury found that school, law enforcement, and community groups made only minimal efforts to secure SRO funding. When funds were not in the budget, only a few sought grants, joint agreements, specially earmarked taxes, or nontraditional funding sources. As a result, with the exception of Novato, the SRO coverage in Marin County is not sufficient.

The cost per SRO ranges from \$80,000 to \$110,000 per year, not including overtime and benefits. California ranks number four out of 50 states nationwide for SRO salaries.

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<sup>7</sup> [“Frequently Asked Questions.”](#) *National Association of School Resource Officers*. Accessed 11 Apr. 2019.

<sup>8</sup> [“SCHOOL/LAW ENFORCEMENT PARTNERSHIP.”](#) Marin County Office of Education. Accessed 17 Apr. 2019.

The current funding for Marin's SROs is:

- *Unincorporated county areas*: One SRO serves the unincorporated areas in Marin County. That position is funded by the Marin County Sheriff's Department. Future funding will be determined on a year-to-year basis.
- *Novato*: For the 2018/2019 school year, two full time SROs in Novato are funded by the Novato Police Department. In the upcoming school year, one of the two SRO positions will be funded by a grant to the Novato School District and the other will come from the police department budget.
- *San Rafael*: The SRO is a San Rafael police officer who is paid out of the police department budget. Future funding for this officer, who is responsible for all schools in San Rafael, will be determined on a year-to-year basis.
- *Corte Madera, Larkspur, San Anselmo, and parts of Greenbrae* are covered by the Central Marin Police Authority. One SRO position is funded through a ballot initiative (Measure E) passed by voters in 2009, which guaranteed SRO funding for 30 years. The Central Marin Police Authority has the only long-term funded SRO program in Marin County.
- *Mill Valley*: A Mill Valley Police Department juvenile detective is assigned to respond to incidents at schools. That officer has received SRO training, but is not an SRO, and he performs other police duties. Essentially, he is on call to Mill Valley schools and responds as needed. He occasionally makes unsolicited campus visits, but rarely interacts with students.

### **Strategies for Sustainable Funding**

Funding SRO programs is a problem for most school districts, police departments, and municipalities in Marin County. Although they acknowledge the benefits of having SROs, they often have other pressing priorities.

School administrators, staff, and law enforcement personnel are well aware of the difficulties involved in securing long-term funding not only for SROs, but for virtually all of their needs. Since schools and law enforcement agencies are constantly looking for possible budget reductions, these positions are always on shaky ground. As a result, new funding sources should be explored.

Traditionally, SRO funding comes from local law enforcement and/or from school districts. Novato's SROs are funded by both. Other potential funding options include:

- Sharing by schools and local law enforcement agencies.
- Local, state, or federal funds, including grants, or combinations of these.
- From local sales or parcel taxes.

In light of the benefits to schools, law enforcement, and the community, efforts should be made to share the costs of funding SRO programs. Marin school boards must take the lead in working with city councils and law enforcement to identify sustainable funding for programs in their communities and work together to secure them.

School districts, communities, and law enforcement departments should make concerted efforts to find grants that will fund SROs. Grants may be available under anti-tobacco programs, law enforcement programs, homeland security, and other sources. Grant writers should be hired to identify likely grants and to apply for them.

In a survey of Marin school districts, only one respondent indicated that it did not have or want an SRO, due to lack of a perceived need. A district that did not have an SRO stated, “In another district, I had the benefit of having an SRO on site four days per week. The contributions they made to the school were immeasurable.”

Other comments from those working with SROs were:

- “SROs play an important role. Their presence cultivates a positive relationship between law enforcement and the community.”
- “Having the SRO physically present on campus and thus a recognizable face is an asset that as school administrators (we) will never take for granted.”
- “... it also allows the police department to have an important connection with the youth of our town.”
- “... we are stronger in our efforts to keep students safe during their formative years than we ever could be if we acted as independent districts without the support of the SRO officers.”
- “The SRO seeks to solve problems and work with young people, not just make arrests.”
- “We don't have an SRO on staff, but we are lucky enough to have [the SRO from] the Marin Sheriff's Department on speed dial.”

## **FINDINGS**

- F1. School Resource Officers promote strong collaborative relationships between schools and law enforcement that benefits the entire community. School districts and municipalities that have SRO programs praise them highly.
- F2. SRO programs are wise investments that help provide safe learning environments for students, reduce crime, and build strong relationships with students, parents, and school staff.
- F3. Assigning officers to be dedicated, full-time SROs for longer terms isn't always a high priority or financially feasible but can be a wise investment that yields substantial benefits to students, schools, and their communities.
- F4. Continuity is essential for SRO programs to thrive. When SROs serve for limited or uncertain terms, their effectiveness can decrease.
- F5. The Sheriff Department's has one SRO to cover all the county's unincorporated areas and assists any school or SRO in the county that requests help, which is insufficient.
- F6. The City of San Rafael has one SRO for over 7300 students, which is insufficient.
- F7. Mill Valley does not have a full time SRO to regularly visit its schools, which limits its SRO's ability to build relationships with students and school staff.
- F8. Training for SROs in Marin County is inconsistent. The role of an SRO significantly differs from that of a patrol officer and requires specialized training.
- F9. Officers serve as SROs for terms varying from three to five years. Three-year assignments are barely adequate, and four to five-year terms are preferable.
- F10. With the exception of Central Marin Police Authority, most communities fund SRO programs on a year to year basis. Other communities lack reliable sources of funding.
- F11. With the exception of Novato, the costs of the SRO programs are financed by the local police budgets or the Sheriff's budget with no financial contribution by the school districts. The districts' participation in SRO funding is lacking.
- F12. Collaboration between the SROs improves their effectiveness, but they do not meet regularly or frequently to exchange ideas and information. MCOE's School / Law Enforcement Partnership (SLEP) partially fills that deficiency, but additional organization is needed.



## **RECOMMENDATIONS**

- R1. SRO programs in Marin County should be retained or expanded where they now exist. SRO programs should be established to cover those school districts where they do not exist.
- R2. Municipalities, school districts, and law enforcement agencies in Marin County should make SRO programs a high budgetary priority.
- R3. To insure continuity, each SRO should be assigned to serve for at least a four-year term.
- R4. The Marin County Sheriff's Office should have two additional full-time SRO positions.
- R5. The City of San Rafael should have at least one additional full-time SRO.
- R6. Mill Valley should employ a full-time SRO who regularly visits its schools rather than simply assigning an officer to be on call for its schools.
- R7. All SROs should complete SRO POST training by July 1, 2020.
- R8. Law enforcement agencies should fund additional training for SROs that will help them keep up with and handle their responsibilities.
- R9. School districts should take the lead in working with their city councils and law enforcement agencies to employ and maintain a sufficient number of SROs.
- R10. School districts and municipalities should explore funding sources such as grants, bond issues, special taxes, and other sources.
- R11. School districts and municipalities should consider sharing the costs and services of SRO programs.
- R12. County law enforcement agencies should provide the time and facilities for the SROs to meet regularly to exchange information, ideas, and discuss new trends by October 1, 2019.

## REQUEST FOR RESPONSES

Pursuant to Penal code section 933.05, the grand jury requests responses as follows:

From the following governing bodies:

- Marin County Office of Education Board of Directors (R2, R9, R10, R11)
- Marin County Board of Supervisors (R2, R4)
- Belvedere City Council (R1, R2, R3, R7, R8, R10, R11, R12)
- Fairfax Town Council (R1, R2, R3, R7, R8, R10, R11, R12)
- Mill Valley City Council (R1, R2, R3, R6, R7, R8, R10, R11, R12)
- Novato City Council (R1, R2, R3, R7, R8, R10, R11, R12)
- Ross Town Council (R1, R2, R3, R7, R8, R10, R11, R12)
- San Rafael City Council (R1, R2, R3, R5, R7, R8, R10, R11, R12)
- Sausalito City Council (R1, R2, R3, R7, R8, R10, R11, R12)
- Tiburon Town Council (R1, R2, R3, R7, R8, R10, R11, R12)
- Bolinas-Stinson Union School District Board of Trustees (R1, R2, R9, R10, R11)
- Dixie School District Governing Board (R1, R2, R9, R10, R11)
- Kentfield School District Board of Trustees (R1, R2, R9, R10, R11)
- Lagunitas School District Governing Board (R1, R2, R9, R10, R11)
- Larkspur - Corte Madera School District Board of Trustees (R1, R2, R9, R10, R11)
- Mill Valley School District Board of Trustees (R1, R2, R9, R10, R11)
- Novato Unified School District Board of Trustees (R1, R2, R9, R10, R11)
- Reed Union School District Board of Trustees (R1, R2, R9, R10, R11)
- Ross School District Board of Trustees (R1, R2, R9, R10, R11)
- Ross Valley School District Board of Trustees (R1, R2, R9, R10, R11)
- San Rafael School District Board of Education (R1, R2, R9, R10, R11)
- Sausalito-Marin City School District Board of Trustees (R1, R2, R9, R10, R11)
- Shoreline Unified School District Board of Trustees (R1, R2, R9, R10, R11)
- Tamalpais Union School District Board of Trustees (R1, R2, R9, R10, R11)
- Central Marin Police Authority Police Council (R1, R2, R3, R7, R8, R10, R12)

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted in accordance with Penal Code section 933 (c) and subject to the notice, agenda and open meeting requirements of the Brown Act.

From the following individuals:

- Marin County Sheriff (R1, R2, R3, R4, R7, R8, R12)

Note: At the time this report was prepared information was available at the websites listed.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in Grand Jury investigations by protecting the privacy and confidentiality of those who participate in any Civil Grand Jury investigation.



**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY STAFF REPORT**

Department: Finance Department

Prepared by: Nadine Hade  
Finance Director

City Manager Approval: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

**TOPIC: QUARTERLY INVESTMENT REPORT**

**SUBJECT: ACCEPTANCE OF SUCCESSOR AGENCY QUARTERLY INVESTMENT REPORT**

**RECOMMENDATION:** Accept investment report for the quarter ending June 30, 2019, as presented.

**BACKGROUND:** Pursuant to the State of California Government Code Section 53601 and the City's investment policy, last approved by the City Council on June 17, 2019, staff provides the governing body a quarterly report on the Successor Agency's investment activities and liquidity.

**ANALYSIS:** The Successor Agency checking account had a balance of \$180,140 at quarter-end. These funds were available for the administration of the activities of the Agency, as well as for approved agency commitments.

**FISCAL IMPACT:** No financial impact occurs by adopting the report.

**RECOMENDATION:** Accept investment report for the quarter ending June 30, 2019, as presented.

**ATTACHMENT:**

1. Successor Agency Cash & Investment Report April through June 2019.

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FOR CITY CLERK ONLY

Council Meeting:

Disposition:

**TREASURER'S CERTIFICATION**

I CERTIFY THAT ALL INVESTMENTS MADE ARE IN CONFORMANCE WITH SUCCESSOR AGENCY'S APPROVED INVESTMENT POLICY AND STATE INVESTMENT REGULATIONS. THE SUCCESSOR AGENCY HAS SUFFICIENT LIQUIDITY TO MEET ALL OF THE OBLIGATIONS REQUIRED DURING THE NEXT SIX-MONTH PERIOD, SUBJECT TO OVERSIGHT BOARD APPROVAL OF OBLIGATIONS AND THE SUBSEQUENT TIMELY COUNTY DISBURSEMENT OF FUNDS.

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NADINE HADE  
FINANCE DIRECTOR

# SUCCESSOR AGENCY TO SAN RAFAEL REDEVELOPMENT AGENCY

CASH and INVESTMENTS

QUARTER ENDED 6/30/2019

ISSUER	PURCHASE TYPE	PURCHASE DATE	MATURITY DATE	YIELD	PURCHASE PRICE	PAR VALUE	MARKET VALUE	Days to Maturity	% OF TOTAL	AS OF
<u>CASH ACCOUNTS:</u>										
WESTAMERICA	DD	N/A	N/A		\$ 180,140.35	\$ 180,140.35	\$ 180,140.35	1	100.00%	4/30/2019
WESTAMERICA	DD	N/A	N/A		\$ 13,387.33	\$ 13,387.33	\$ 13,387.33	1	100.00%	5/31/2019
WESTAMERICA	DD	N/A	N/A		\$ 180,140.35	\$ 180,140.35	\$ 180,140.35	1	100.00%	6/30/2019
<b>TOTAL INVESTMENTS</b>					\$ -	\$ -	\$ -			
<b>TOTAL CASH &amp; INVESTMENTS - QUARTER-END BALANCE</b>					\$ 180,140.35	\$ 180,140.35	\$ 180,140.35		300.00%	