



**AGENDA
REGULAR MEETING**

**City Council of the Town of Colma
Colma Community Center
1520 Hillside Boulevard
Colma, CA 94014**

**Wednesday, March 8, 2017
CLOSED SESSION – 6:00 PM
REGULAR SESSION – 7:00 PM**

CLOSED SESSION – 6:00 PM

1. In Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiators

Agency Negotiators: Sean Rabé, City Manager
Austris Rungis, IEDA
Unrepresented Employees: Chief of Police

2. In Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiators

Agency Negotiators: Austris Rungis, IEDA
Unrepresented Employees: City Manager

PLEDGE OF ALLEGIANCE AND ROLL CALL – 7:00 PM

ADOPTION OF AGENDA

PUBLIC COMMENTS

Comments on the Consent Calendar and Non-Agenda Items will be heard at this time.
Comments on Agenda Items will be heard when the item is called.

CONSENT CALENDAR

3. Motion to Accept the Minutes from the February 22, 2017 Regular Meeting.
4. Motion to Approve Report of Checks Paid for February 2017.
5. Motion Accepting the 2016 Annual Report on the Implementation of the General Plan, Including the Housing Element.
6. Motion to Receive and File the Semi-Annual Report of Investment Holdings, Which is Presented for Informational Purposes.

7. Motion to Adopt a Resolution Establishing and Approving the Vantagecare Retirement Health Savings (RHS) Program and Approving Related Documents to Implement the Program.

PUBLIC HEARING

8. **ACCESSORY DWELLING UNIT ORDINANCE**

Consider: Motion to Introduce an Ordinance Amending Various Provisions in Chapter 5 and Adding Subchapter 5.19 to the Colma Municipal Code Regarding Accessory Dwelling Unit Regulations and Finding the Ordinance to be Statutorily Exempt from Environmental Review Pursuant to Public Resources Code Section 21080.17, and Waive a Further Reading of the Order.

NEW BUSINESS

9. **TOWN HALL RENOVATION BUDGET AMENDMENT**

Consider: Motion to Adopt a Resolution Amending Budget Appropriations for Fiscal Year 2016-2017 Regarding the Town Hall Renovation Project Budget.

REPORTS

Mayor/City Council

City Manager

ADJOURNMENT

The City Council Meeting Agenda Packet and supporting documents are available for review at the Colma Town Hall, 1188 El Camino Real, Colma, CA during normal business hours (Mon – Fri 8am-5pm). Persons interested in obtaining an agenda via e-mail should call Caitlin Corley at 650-997-8300 or email a request to ccorley@colma.ca.gov.

Reasonable Accommodation

Upon request, this publication will be made available in appropriate alternative formats to persons with disabilities, as required by the Americans with Disabilities Act of 1990. Any person with a disability, who requires a modification or accommodation to view the agenda, should direct such a request to Brian Dossey, ADA Coordinator, at 650-997-8300 or brian.dossey@colma.ca.gov. Please allow two business days for your request to be processed.

1. **In Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiators**

Agency Negotiators: Sean Rabé, City Manager
Austris Rungis, IEDA

Unrepresented Employees: Chief of Police

There is no staff report for this item.



2. **In Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiators**

Agency Negotiators: Austris Rungis, IEDA
Unrepresented Employees: City Manager

There is no staff report for this item.



**MINUTES
REGULAR MEETING**

City Council of the Town of Colma
Colma Community Center, 1520 Hillside Boulevard
Colma, CA 94014

Wednesday, February 22, 2017

7:00 p.m.

CALL TO ORDER

Mayor Helen Fisicaro called the Regular Meeting of the City Council to order at 7:08 p.m.

Council Present – Mayor Helen Fisicaro, Vice Mayor Raquel “Rae” Gonzalez, Council Members Joanne F. del Rosario and John Irish Goodwin were all present. Council Member Diana Colvin was absent.

Staff Present – City Manager Sean Rabé, City Attorney Christopher Diaz, Chief of Police Kirk Stratton, Director of Public Works Brad Donohue, City Planner Michael Laughlin, City Clerk Caitlin Corley and Assistant Planner Jonathan Kwan were in attendance.

ADOPTION OF THE AGENDA

Mayor Fisicaro asked if there were any proposed changes to the agenda. None were requested. The Mayor asked for a motion to adopt the agenda.

Action: Council Member del Rosario moved to adopt the agenda; the motion was seconded by Vice Mayor Gonzalez and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fisicaro, Mayor	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin					✓
	4	0			

PUBLIC COMMENTS

Mayor Fisicaro opened the public comment period at 7:03 p.m. and seeing no one come forward to speak, she closed the public comment period.

CONSENT CALENDAR

1. Motion to Accept the Minutes from the February 22, 2017 Regular Meeting.

Action: Council Member del Rosario moved to approve the Consent Calendar item #1; the motion was seconded by Vice Mayor Gonzalez and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin					✓
	4	0			

PUBLIC HEARING

2. CONDITIONAL USE PERMIT – 2300 HILLSIDE BOULEVARD

City Attorney Christopher Diaz announced that Council Member John Goodwin would be recusing himself out of an abundance of caution because he lives within 500 feet of the edge of Holy Cross Cemetery, the property owner for this item. City Attorney Christopher Diaz did indicate he would research whether the FPPC regulations only apply to the project site versus the entire property. Council Member Goodwin then stepped down from the dais and out of the room.

Assistant City Planner Jonathan Kwan presented the staff report. Mayor Fiscaro opened the public hearing at 7:12 p.m. and seeing no one come forward to speak, she closed the public hearing. Council discussion followed.

Action: Council Member del Rosario made a motion to adopt a Resolution Approving a Conditional Use Permit to Allow a Modular Office and Landscaping Storage Yard at 2300 Hillside Boulevard (APN: 011-370-180) Pursuant to CEQA Guideline 15303(c); the motion was seconded by Vice Mayor Gonzalez and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin				✓	
Diana Colvin					✓
	3	0			

Council Member Goodwin returns to the dais.

3. A-1 RECYCLING & WASTE REDUCTION, INC. RECYCLER'S PERMIT

City Planner Michael Laughlin presented the staff report. Mayor Fiscaro opened the public comment period at 7:19 p.m. and seeing no one come forward to speak, she closed the public comment period. Council discussion followed.

Action: Council Member del Rosario made a motion to adopt a Resolution Approving a Recycler's Permit for the Collection of Cardboard from Commercial Businesses Pursuant to CEQA Guideline 15061(b)(3); the motion was seconded by Vice Mayor and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin					✓
	4	0			

4. **MID-YEAR BUDGET REPORT AND ADJUSTMENTS TO FY 2016-17 BUDGET**

City Manager Sean Rabé presented the staff report. Mayor Fiscaro opened the public comment period at 7:30 p.m. and seeing no one come forward to speak, she closed the public comment period. Council discussion followed.

Action: Council Member Goodwin made a motion to Adopt a Resolution Amending Budget Appropriations for Fiscal Year 2016-2017; the motion was seconded by Council Member del Rosario and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin					✓
	4	0			

5. **STERLING PARK PARKING ISSUES**

City Manager Sean Rabé and Police Chief Kirk Stratton presented the staff report. Mayor Fiscaro opened the public comment period at 7:49 p.m. Business owner Yvette Cortez and residents Dennis Fiscaro, Ruby Paniagua and Dianne Chiappari made comments. Council discussion followed.

This item was for discussion only; no action was taken at this meeting.

COUNCIL CALENDARING

The next Regular City Council Meetings will be on and Wednesday, March 8, 2017 at 7:00 p.m. and Wednesday, March 22, 2017 at 7:00 p.m.

REPORTS

City Manager Sean Rabé gave a report on the following topics:

- The Colma Police Department and the Colma Fire Protection District will cohost an Emergency Preparedness event "Are You Ready?" on April 19, 2017.
- Officer Kim Trask received a commendation from Daly City Police Department for her help on a call.
- Chief Stratton gave a report on a recent arrest at Home Depot.

ADJOURNMENT AND CLOSE IN MEMORY

The meeting was adjourned by Mayor Fiscaro at 8:32 p.m. and closed in memory of Elizabeth Anne Biagini, mother in law of Fire Chief Geoff Balton, and Whittier Police Officer Keith Boyer, who was killed in the line of duty.

Respectfully submitted,

Caitlin Corley
City Clerk

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45291	2/3/2017	00068	02032017 B	2/3/2017	COLMA PEACE OFFICERS: P/	652.14	652.14
45292	2/3/2017	00631	02032017 B	2/3/2017	PERS - BUYBACK: PAYMENT	26,179.49	
			02032017 B	2/3/2017	PERS MISC NON-TAX: PAYME	10,546.09	
			02032017 M	2/3/2017	PERS MISC NON-TAX: PAYME	587.18	37,312.76
45293	2/3/2017	01340	02032017 B	2/3/2017	FLEX 125 PLAN: PAYMENT	342.70	342.70
45294	2/3/2017	01360	02032017 B	2/3/2017	ICMA CONTRIBUTION: PAYME	3,367.00	
			02032017 M	2/3/2017	ICMA CONTRIBUTION: PAYME	450.00	3,817.00
45295	2/3/2017	01375	02032017 B	2/3/2017	NATIONWIDE: PAYMENT	5,700.00	
			02032017 M	2/3/2017	NATIONWIDE: PAYMENT	1,200.00	6,900.00
45296	2/3/2017	02377	02032017 B	2/3/2017	CALIFORNIA STATE DISBURS	315.69	315.69
93440	2/3/2017	00521	02032017 M	2/3/2017	UNITED STATES TREASURY	940.97	940.97
93441	2/3/2017	00130	02032017 B	2/3/2017	EMPLOYMENT DEVELOPMEN	9,684.32	9,684.32
93442	2/3/2017	00521	02032017 B	2/3/2017	UNITED STATES TREASURY	50,843.74	50,843.74

b total for FIRST NATIONAL BANK OF DALY CITY: 110,809.32

9 checks in this report.

Grand Total All Checks: 110,809.32

02/06/2017 11:39:55AM

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45297	2/6/2017	00057	5006536679	11/29/2016	TRIPLE ANTIBIOTIC OINTMEN	29.27	
			5006868725	12/28/2016	TRIPLE ANTIBIOTIC OINTMEN	29.27	
			5006247797	10/6/2016	ANTISEPTIC WIPES & SERVI	24.99	83.53
45298	2/6/2017	00065	COLMA HISTORICAL ASSOCIATION	1/30/2017	DONATION IN HONOR OF MA	100.00	100.00
45299	2/6/2017	00071	CSG CONSULTANTS, INC.	Nov 26-Dec 30, 12/7/2017	CSG	103,941.70	103,941.70
45300	2/6/2017	00093	CITY OF SOUTH SAN FRANCISCO	1/25/2017	DISPATCH SERVICES	9,213.71	9,213.71
45301	2/6/2017	00140	FIRST NAT BANK OF NO CA	01/22/17	Rabe	2,248.22	
				01/22/17	Dossey	2,133.09	
				01/22/17	Tapia	2,096.11	
				01/22/17	Corley	1,910.89	
				01/22/17	Gogan	1,726.28	
				01/22/17	Morque	897.42	
				01/22/17	Pfotent	176.59	
				01/22/17	Lum	150.00	
				01/22/17	Strattor	19.06	11,357.66
45302	2/6/2017	00254	METRO MOBILE COMMUNICATIONS	2/1/2017	MAINTENANCE CONTRACT	602.00	
			38850	1/26/2017	2 KNB-48L BATTERY, 2 KMC-2	408.90	1,010.90
45303	2/6/2017	00307	PACIFIC GAS & ELECTRIC	1/24/2017	0092128195-2	2,230.53	
			0092128195-2	1/24/2017	0092128195-2	282.39	
			9248309814-8	1/24/2017	9248309814-8 601 F ST.	12.37	
			2039987372-6	1/24/2017	2039987372-6 OPPOSITE 507	10.85	2,536.14
			9956638930-2	1/24/2017	9956638930-2 NEXT TO 540 B	937.40	937.40
45304	2/6/2017	00309	PAUL'S FLOWERS	12/31/2016	12/10/16 CENTER PIECES (27	100.00	100.00
45305	2/6/2017	00365	SMCLETMA	1/26/2017	2017 MEMBERSHIP DUES	254.56	254.56
45306	2/6/2017	00521	UNITED STATES TREASURY	1/30/2017	FORM 941 TAX PERIOD: SEP	30.00	30.00
45307	2/6/2017	00693	DEGUIA, PRISCILLA	1/27/2017	01.27.17 WITHDRAWAL REFU	235.99	235.99
45308	2/6/2017	00830	STAPLES ADVANTAGE	1/14/2017	BINDERS, SHEET PROTECTC	13,377.71	
45309	2/6/2017	01037	COMCAST CABLE	Feb 2017	8155 20 022 0094769 TOWN C	286.16	
				01/25-02/24	Intel	241.16	
				02/02/17-03/01/17	1/27/2017	8155 20 022 0097051 Internet	236.16
				01/25-02/24	427	8155 20 022 0097069 INTERNI	10.20
				01/27-02/26	XFLI	8155 20 022 0097028 427 F ST	14,151.39
45310	2/6/2017	01340	NAVIA BENEFIT SOLUTIONS	10074204	1/31/2017	8155 20 022 0002770 1520 HIL	675.00
45311	2/6/2017	01359	WALSH, THOMAS & LAURA	Water Conserva	2/3/2017	SECTION 125 PARTICIPANT &	47.00
45312	2/6/2017	01370	VERIZON WIRELESS SERVICES	19778716738	1/15/2017	WATER CONSERVATION REB	2,995.99
						CELL PHONE SERVICE	

Bank : first FIRST NATIONAL BANK OF DALY (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45313	2/6/2017	01457	BATERINA, BARBARA	1/27/2017	01.27.17 WITHDRAWAL REFU	15.00	
45314	2/6/2017	01629	R. J. RICCIARDI INC	1/30/2017	01.30.17 WITHDRAWAL REFU	3.00	18.00
45315	2/6/2017	01643	AUSTRIA, HELEN	1/31/2017	AUDIT SERVICES	1,399.71	1,399.71
45316	2/6/2017	01645	SOLORZANO, JULIO	1/30/2017	01.30.17 DEPOSIT REFUND	300.00	
45317	2/6/2017	01995	CELESTE, MIKE L.	1/30/2017	01.30.17 DEPOSIT REFUND	75.00	375.00
45318	2/6/2017	02042	CINTAS FIRE 636525	1/30/2017	01.30.17 WITHDRAWAL REFU	50.00	50.00
45319	2/6/2017	02132	WOLLMAN, JASON	2/1/2017	CARDROOM BACKGROUND	1,265.00	1,265.00
45320	2/6/2017	02144	DOMINIC A. DE LUCCA DBA D1722	1/25/2017	SUPPRESSION SYSTEM REP.	1,001.57	1,001.57
45321	2/6/2017	02150	COLOMBO, EMIL L. AND DORI1066	2/2/2017	JAN 23-26, 2017 PROPERTY F	264.30	264.30
45322	2/6/2017	02179	HUB INTERNATIONAL OF CA	1/23/2017	TAE KWON DO	800.00	800.00
45323	2/6/2017	02190	GOGAN, REA	2/1/2017	INNER PERSPECTIVES LUNC	486.19	486.19
45324	2/6/2017	02258	KIM, SEUNG NAM	1/31/2017	INSURANCE EVENTS	128.04	128.04
45325	2/6/2017	02407	PARKER, MARILYN	2/3/2017	FEB 1-2, 2017 REIMBURSEME	56.43	56.43
45326	2/6/2017	02463	HARPER, EDWIN	1/28/2017	GOLF LESSONS	560.00	560.00
45327	2/6/2017	02728	TRUGREEN LIMITED PARTNE	1/27/2017	01.27.17 WITHDRAWAL REFU	30.00	30.00
45328	2/6/2017	02731	ELMORE, BRINA	1/27/2017	01.27.17 WITHDRAWAL REFU	15.00	15.00
45329	2/6/2017	02743	UTILITY TELEPHONE, INC	1/19/2017	12/06/16 TARGETED INSECT	175.00	175.00
45330	2/6/2017	02795	ROSSET, JAY	1/28/2017	JAN 23-26, 2017 MEAL & MILE	254.27	254.27
45331	2/6/2017	02799	WAVE	2/1/2017	INTERNET ACCESS 128070	697.92	697.92
45332	2/6/2017	02840	TONG-ROBINSON, SHARON	1/26/2017	01/25/17 MEAL & MILEAGE RE	36.90	36.90
45333	2/6/2017	02864	MOBILE MODULAR MANAGEM	1/23/2017	RIMS INTERNET W/SSF	400.00	400.00
45334	2/6/2017	02970	PRODUCTIVE PRINTING & GR	1/3/2017	CLASSES	57.00	57.00
45335	2/6/2017	03012	SIMPSON, PATRICIA	1/18/2017	24 X 60 HCD OFFICE RENTAL	719.71	1,158.08
45336	2/6/2017	03013	AIDS/LIFECYCLE	1/12/2017	8 X 20 OFFICE HCD, RAMP RI	438.37	190.75
45337	2/6/2017	03014	RAGNASOFT INCORPORATE	1/16/2017	BUSINESS CARDS 500 EACH	190.75	190.75
45338	2/6/2017	03015	U.S. BANK CORPORATE PMT	1/27/2017	01.27.17 WITHDRAWAL REFU	30.00	30.00
				2/2/2017	DONATION IN HONOR OF JO	100.00	100.00
				11/30/2017	PLANIT POLICE 1 YEAR SUB	1,555.00	1,555.00
				1/23/2017	CREDIT CARD PAYMENT	3,892.77	3,892.77

b total for FIRST NATIONAL BANK OF DALY CITY: 162,667.90

42 checks in this report.

Grand Total All Checks: 162,667.90

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45339	2/6/2017	00609	COUNTY OF SAN MATEO	10/4/2016	FORFEITURE CASE NO. 0716	12,027.45	12,027.45
					b total for FIRST NATIONAL BANK OF DALY CITY:		12,027.45

1 checks in this report.

Grand Total All Checks:

12,027.45

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45340	2/14/2017	00038	BROADMOOR LUMBER & PLY Jan 2017	1/31/2017	PW PURCHASES	238.83	238.83
45341	2/14/2017	00051	CALIFORNIA WATER SERVICE 01/27/2017	1/27/2017	WATER BILL	2,546.39	2,546.39
45342	2/14/2017	00057	CINTAS CORPORATION #2 Jan 2017	2/6/2017	CLEANING SERVICE	1,042.30	1,042.30
45343	2/14/2017	00057	CINTAS CORPORATION #2 8403047207	1/27/2017	PW FIRST AID SUPPLIES	239.04	239.04
45344	2/14/2017	00181	IEDA 21490	2/1/2017	LABOR RELATIONS CONSUL	1,324.00	1,324.00
45345	2/14/2017	00236	LAURETTA PRINTING COMPAI29084	2/6/2017	1000 ENVELOPES REG #10'S	195.30	195.30
45346	2/14/2017	00307	PACIFIC GAS & ELECTRIC 0567147369-1	1/27/2017	0567147369-1 JSB S/O SERRA	160.08	160.08
45347	2/14/2017	00364	SMC SHERIFF'S OFFICE CL05039	1/31/2017	LAB FEES	1,136.90	1,136.90
45348	2/14/2017	00388	SONITROL 1297145-IN	2/1/2017	427 F ST. MONTHLY MONITOI	113.00	113.00
45349	2/14/2017	00414	TERMINEX INTERNATIONAL L362106448	2/14/2017	PEST CONTROL	433.00	433.00
			362106449	2/14/2017	601 F St.	61.00	494.00
45350	2/14/2017	00464	HINDERLITER, DE LLAMAS 0026628-IN	1/31/2017	SALES TAX SERVICES	2,778.89	2,778.89
45351	2/14/2017	00500	SMC CONTROLLERS OFFICE January 2017	2/3/2017	ALLOCATION OF PARKING PE	1,355.60	1,355.60
45352	2/14/2017	00525	COUNTY OF MARIN/CAL-SLA 17067	2/10/2017	ANNUAL MEMBERSHIP DUES	300.00	300.00
45353	2/14/2017	00573	SMC ENVIRONMENTAL HEALT286766	2/1/2017	601 F STREET: <27 GALS/YE/	283.00	283.00
45354	2/14/2017	00619	LUM, SHERWIN SWAT Dinner Re	2/6/2017	01/12/17 ANNUAL SWAT TEAM	50.00	50.00
45355	2/14/2017	00775	PANIAGUA, RUBY 2000712.003	2/8/2017	02.08.17 REFUND CHITRESH	15.00	15.00
45356	2/14/2017	00794	GOOMBAH'S EMBROIDERY 618	2/9/2017	15 S/M, 14 L/XL BLACK BASEE	551.37	551.37
45357	2/14/2017	00928	SUPPLYWORKS 390424224	1/30/2017	PAPER AND CLEANING SUPP	573.56	573.56
45358	2/14/2017	01001	SIGNET TESTING LABS, INC. 4870	1/27/2017	JAN 9 - 20, 2017	6,840.90	6,840.90
			4857	1/20/2017	DEC 20, 2016 - JAN 6, 2017	6,188.82	13,029.72
45359	2/14/2017	01030	STEFFORD, INC. 1701089	1/20/2017	MONTHLY SERVICE CONTRA	5,622.00	5,622.00
			1701033	1/2/2000	DEC 2016 HOURS IN EXCESS	2,469.42	8,091.42
45360	2/14/2017	01039	CONTRA COSTA COUNTY SHIMarch 6-10, 201	9/6/2017	MARCH 6-10, 2017 RECORDS	289.00	289.00
45361	2/14/2017	01308	EEL RIVER FUELS, INC. 562707	1/31/2017	PW GAS PURCHASES	287.87	287.87
45362	2/14/2017	01552	FORTE PRESS CORPORATIOI53731	1/24/2017	BUSINESS CARDS 500 EA: AL	234.33	234.33
45363	2/14/2017	01569	DARLING INTERNATIONAL IN(600:2896645	1/31/2017	TRAP SERVICE CHARGE	79.71	79.71
45364	2/14/2017	01687	UNITED SITE SERVICES OF 114-4940284	1/30/2017	STANDARD AND REGULAR SI	135.85	135.85
45365	2/14/2017	02216	RAMOS OIL CO. INC. 859058	1/20/2017	PD GASOLINE PURCHASES 1	1,369.22	1,369.22
			857595	1/10/2017	PD GASOLINE PURCHASES 1	1,240.83	1,240.83
			860560	1/31/2017	PD GASOLINE PURCHASES 2	1,231.34	1,231.34
			859599	1/20/2017	RECREATION GASOLINE PUF	42.66	42.66
			860687	1/31/2017	ADMIN GASOLINE PURCHASI	21.88	21.88
45366	2/14/2017	02274	FRANK AND GROSSMAN LANI151173	2/1/2017	LANDSCAPE MAINTENANCE	10,608.00	10,608.00

Bank : first FIRST NATIONAL BANK OF DALY (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45367	2/14/2017	02443	SUN RIDGE SYSTEMS, INC. 4710	2/7/2017	10/01/16-09/30/17 RIMS ANNU	16,801.00	16,801.00
45368	2/14/2017	02836	CALL ONE, INC. 711496	2/6/2017	3 PLANTRONICS CA 12CD-S I	1,138.61	1,138.61
45369	2/14/2017	02935	EMCOR SERVICES-MESA ENE001274921	1/30/2017	FC-2 REPLACE FAILED BLOW	1,987.20	
			001274923	1/30/2017	3 EA. THERMOSTAT, IGNITOF	834.00	
			001274922	1/30/2017	UNIT F REPLACE FLAME SEN	394.80	
			001274920	1/30/2017	NEW ELECTRICAL DISCONNI	342.00	3,558.00
b total for FIRST NATIONAL BANK OF DALY CITY:							71,556.70

30 checks in this report.

Grand Total All Checks:

71,556.70

02/15/2017 2:26:54PM

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45370	2/17/2017	00047	02172017 B	2/17/2017	CLEA: PAYMENT	294.00	294.00
45371	2/17/2017	00068	02172017 B	2/17/2017	COLMA PEACE OFFICERS: P/	652.14	652.14
45372	2/17/2017	00282	02172017 B	2/17/2017	MARCH 2017 ACTIVE PREMIL	66,290.17	66,290.17
45373	2/17/2017	00631	02172017 B	2/17/2017	PERS - BUYBACK: PAYMENT	26,227.74	
			02172017 B	2/17/2017	PERS MISC NON-TAX: PAYME	10,518.46	36,746.20
45374	2/17/2017	01340	02172017 B	2/17/2017	FLEX 125 PLAN: PAYMENT	342.70	342.70
45375	2/17/2017	01360	02172017 B	2/17/2017	ICMA CONTRIBUTION: PAYME	3,367.00	3,367.00
45376	2/17/2017	01375	02172017 B	2/17/2017	NATIONWIDE: PAYMENT	5,700.00	5,700.00
45377	2/17/2017	02224	02172017 B	2/17/2017	LIFE INSURANCE: PAYMENT	384.00	384.00
45378	2/17/2017	02377	02172017 B	2/17/2017	WAGE GARNISHMENT: PAYM	315.69	315.69
93443	2/17/2017	00130	02172017 B	2/17/2017	CALIFORNIA STATE TAX: PAY	9,358.60	9,358.60
93444	2/17/2017	00521	02172017 B	2/17/2017	FEDERAL TAX: PAYMENT	49,680.92	49,680.92

b total for FIRST NATIONAL BANK OF DALY CITY: 173,131.42

11 checks in this report.

Grand Total All Checks: 173,131.42

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45379	2/21/2017	00020	ASSOCIATED SERVICES INC 117020906	2/1/2017	SUPPLIES	96.00	
			117021707	2/3/2017	SUPPLIES	25.00	121.00
45380	2/21/2017	00057	CINTAS CORPORATION #2 5007003774	1/25/2017	TOWN HALL FIRST AID SUPP	42.60	
			5007003776	1/25/2017	BUILDING DEPT FIRST AID S	16.15	
			5007003773	1/25/2017	STERLING PARK FIRST AID S	11.85	
			5007003777	1/25/2017	COMMUNITY CENTER FIRST	10.64	81.24
45381	2/21/2017	00093	CITY OF SOUTH SAN FRANCISCO 516744	2/10/2017	DISPATCH SERVICES	9,213.71	9,213.71
45382	2/21/2017	00112	DEPARTMENT OF JUSTICE 213571	2/3/2017	PD ACCOUNT #140503	497.00	
			215323	2/3/2017	HR ACCOUNT #145931	49.00	546.00
45383	2/21/2017	00174	HOME DEPOT CREDIT SERVICE 01/30/2017	1/30/2017	PW PURCHASES	1,000.70	1,000.70
45384	2/21/2017	00188	IRVINE & JACHENS INC 1783	2/17/2017	#519E FLAT BADGE GOLD CC	283.84	283.84
45385	2/21/2017	00280	OFFICE DEPOT, INC. 897783616001	1/25/2017	8.5 X 11 COPY PAPER	5.64	5.64
45386	2/21/2017	00282	CALIFORNIA PUBLIC EMPLOY 2230	2/14/2017	MEDICAL INSURANCE	43,070.53	43,070.53
45387	2/21/2017	00307	PACIFIC GAS & ELECTRIC 3007220528-6	2/7/2017	3007220528-6 1199 EL CAMI	2,646.61	
			6991706865-7	2/7/2017	6991706865-7 1190 EL CAMI	799.20	
			0576889222-5	2/9/2017	0576889222-5 1180 EL CAMI	266.31	
			0035222590-8	2/9/2017	0035222590-8 1180 EL CAMI	31.95	3,744.07
45388	2/21/2017	00375	VALLERGA, STEPHEN A. Oct - Dec 2016	2/16/2017	RETIREE MEDICAL REIMBUR	124.98	124.98
45389	2/21/2017	00412	TELECOMMUNICATIONS ENG44704	2/10/2017	Facilities Mgmt & Maintenance	1,328.00	1,328.00
45390	2/21/2017	00463	FISICARO, DENNIS April - May 2017	2/21/2017	RETIREE MEDICAL REIMBUR	1,303.04	1,303.04
45391	2/21/2017	00534	SMC INFORMATION SERVICE 1YCL11701	2/8/2017	MICRO CHANNEL & LINES	880.00	880.00
45392	2/21/2017	00592	METROPOLITAN TRANSPORTAR013052	2/9/2017	PAVEMENT MANAGEMENT S'	6,000.00	6,000.00
45393	2/21/2017	00623	ARAMARK Jan 2017	1/31/2017	UNIFORM SERVICE	516.61	516.61
45394	2/21/2017	00830	STAPLES ADVANTAGE 8043040622	2/4/2017	8.5 X 11 COPY PAPER, WIRE I	444.44	
			8042931718	1/28/2017	KNIVES & FORKS, DAWN, SM	86.28	530.72
45395	2/21/2017	01001	SIGNET TESTING LABS, INC. 4941	2/10/2017	PROFESSIONAL SERVICES, I	1,737.45	1,737.45
45396	2/21/2017	01037	COMCAST CABLE 01/11-03/10 601	2/21/2017	8155 20 022 0096715 601 F ST	221.82	221.82
45397	2/21/2017	01183	BEST BEST & KRIEGER LLP 789138	2/7/2017	CITY ATTORNEY SERVICES	17,261.60	
			789140	2/7/2017	CITY ATTORNEY SPECIAL SE	2,751.40	21,279.70
			789139	2/7/2017	CITY ATTORNEY BASIC SERV	1,266.70	21,279.70
45398	2/21/2017	01308	EEL RIVER FUELS, INC, 567256	2/25/2017	PW GAS PURCHASES	299.06	299.06
45399	2/21/2017	01414	VERANO HOMEOWNERS ASS3	3/1/2017	VERANO OWNERS ASSOCIAT	310.00	310.00
45400	2/21/2017	01565	BAY CONTRACT MAINTENANFeb 2017	2/10/2017	JANITORIAL SERVICES	8,038.84	8,038.84
			18626	2/10/2017	CLEANING & PAPER SUPPLIE	1,324.60	9,363.44

Bank : first FIRST NATIONAL BANK OF DALY (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45401	2/21/2017	02182	DALY CITY KUMON CENTER January 2017	2/16/2017	TUTORING	4,860.00	4,860.00
45402	2/21/2017	02224	STANDARD INSURANCE COMM March 2017	2/13/2017	LIFE INSURANCE	225.50	225.50
45403	2/21/2017	02499	GE CAPITAL INFORMATION 98303697	2/7/2017	PD COPY MACHINE RENTAL	808.92	
			98289796	2/3/2017	REC COPY MACHINE RENTAL	601.18	1,410.10
45404	2/21/2017	02510	REGIONAL GOVERNMENT SE6706	1/31/2017	CONTRACT FINANCE SERVIC	5,567.50	5,567.50
45405	2/21/2017	02623	BLOEBAUM, CYNTHIA Feb 15, 2017 Va	2/16/2017	COOKING CLASSES	890.00	890.00
45406	2/21/2017	02637	Z.A.P. MANUFACTURING INC. 45847	2/5/2017	REMOVE & REFACE SIGNS	778.02	778.02
45407	2/21/2017	02699	NISHITA, KEVIN Feb 6-9, 2017 M	2/16/2017	FEB 6-9, 2017 MILEAGE REIM	51.36	51.36
45408	2/21/2017	02801	DUENAS, DIANA 2000716.003	2/14/2017	02.14.17 DEPOSIT REFUND	50.00	50.00
45409	2/21/2017	02827	CORODATA SHREDDING, INC. RS2862405	1/31/2017	STORAGE	55.18	55.18
45410	2/21/2017	02830	BAILEY FENCE COMPANY, INC 75196	2/3/2017	INSTALL CHAINLINK FENCE &	2,682.00	2,682.00
45411	2/21/2017	02849	U.S. BANK PARS ACCOUNT, 6 March 2017 OPE	2/16/2017	OPEB CONTRIBUTION	91,633.00	91,633.00
45412	2/21/2017	03016	CONTRERAS, CHERYLL 2000714.003	2/14/2017	02.14.17 DEPOSIT REFUND	275.00	275.00
45413	2/21/2017	03017	GOMES, ALYSSA 2000717.003	2/14/2017	02.14.17 DEPOSIT REFUND	50.00	50.00

b total for FIRST NATIONAL BANK OF DALY CITY: 210,489.21

35 checks in this report.

Grand Total All Checks: 210,489.21

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45414	2/21/2017	00258	CELESTE, MIKE	April - May 2017	2/22/2017 APRIL - MAY 2017 RETIREE M	5,073.22	5,073.22
b total for FIRST NATIONAL BANK OF DALY CITY:						5,073.22	5,073.22

1 checks in this report.

Grand Total All Checks:

5,073.22

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
45415	2/27/2017	00117	DELTA DENTAL OF CALIFORN	3/1/2017	DENTAL INSURANCE	12,421.20	12,421.20
45416	2/27/2017	00215	FEDEX OFFICE AND PRINT	2/17/2017	SHIPPING FEES	27.20	27.20
45417	2/27/2017	00236	LAURETTA PRINTING COMP	2/20/2017	500 ENVELOPES CAP. BOND	206.15	206.15
45418	2/27/2017	00280	OFFICE DEPOT, INC.	2/17/2017	MANILA FOLDERS, ADDRESS	175.15	175.15
45419	2/27/2017	00288	HATFIELD, PATRICIA	2/17/2017	02.17.17 DEPOSIT REFUND	350.00	350.00
				2/17/2017	02.17.17 DEPOSIT REFUND	300.00	300.00
45420	2/27/2017	00411	TURBO DATA SYSTEMS	1/31/2017	CITATION PROCESSING	244.20	244.20
45421	2/27/2017	01036	MANAGED HEALTH NETWORK	2/14/2017	EMPLOYEE ASSISTANCE PRG	99.20	99.20
45422	2/27/2017	01037	COMCAST CABLE	02/27-03/26 XFII	8155 20 022 0002770 1520 HIL	10.20	10.20
45423	2/27/2017	01076	API CONSULTING	2/17/2017	RECORDS MANAGEMENT	5,180.00	5,180.00
45424	2/27/2017	01201	ZAPANTA, HEZEKIEL	2/21/2017	02/21/17 DEPOSIT REFUND	275.00	275.00
45425	2/27/2017	01461	DOSSEY, BRIAN	02/16/17 Reimbl	02/16/17 PARMA CONFERENC	55.00	55.00
45426	2/27/2017	01745	WILLIAM D. WHITE CO., INC.	2/7/2017	ADJUSTED CLOSE LIMIT-WAI	402.85	402.85
45427	2/27/2017	02515	FLORES, VICKY	2/21/2017	02/21/17 DEPOSIT REFUND	50.00	50.00
45428	2/27/2017	02742	WOO, CASSANDRA	Feb 7-10, 2017 F	FEB 7-10, 2017 MILEAGE & MI	130.09	130.09
45429	2/27/2017	02803	GYMDOC, INC.	2/8/2017	02/07/17 SEMIANNUAL PREVE	120.00	120.00
45430	2/27/2017	02886	READY REFRESH BY NESTLE	2/20/2017	BOTTLED WATER SERVICE	34.89	34.89
45431	2/27/2017	02949	WELLS FARGO VENDOR FINA	2/17/2017	ADMIN COPY MACHINE	1,362.61	1,362.61
45432	2/27/2017	02968	CONCORD IRON WORKS, INC	2/17/2017	STRUCTURAL STEEL,	16,720.95	16,720.95
45433	2/27/2017	03018	ROMERO, AVA	2/17/2017	02.17.17 COOKING CLASS RE	48.00	48.00
45434	2/27/2017	03019	PERALTA, MARIELA	2/21/2017	02/21/17 DEPOSIT REFUND	300.00	300.00
45435	2/27/2017	03020	LUCERO, KATERIN	2/21/2017	02/21/17 DEPOSIT REFUND	275.00	275.00
45436	2/27/2017	03021	CALIFORNIA CLETS USERS	2/24/2017	2017 CCUG AGENCY MEMBEI	75.00	75.00

b total for FIRST NATIONAL BANK OF DALY CITY: 38,862.69

22 checks in this report.

Grand Total All Checks:

38,862.69





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Michael P. Laughlin, AICP, City Planner
 VIA: Sean Rabé, City Manager
 MEETING DATE: March 8, 2017
 SUBJECT: 2016 General Plan and Housing Element Annual Report

RECOMMENDATION

MOTION ACCEPTING THE 2016 ANNUAL REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN, INCLUDING THE HOUSING ELEMENT

EXECUTIVE SUMMARY

Each year, the town is required to submit annual reports on the implementation of the General Plan and Housing Element to the state. Prior to staff sending the report to the state, the City Council must accept the report. As shown in the attached General Plan Implementation Status Sheets, there were several General Plan policies that were furthered this year. The most significant actions taken in 2016 were the approval of the Mercy Housing project and the Tealdi subdivision, both of which are housing sites identified in the Housing Element. The City Council also adopted a Nexus study and housing impact fees. Construction and gardening equipment noise ordinances were adopted to further the policies of the Noise Element.

FISCAL IMPACT

The preparation of the 2016 Annual Report on the status of implementation of the General Plan does not have an impact on the Town's adopted budget.

BACKGROUND

California Government Code Section 65400 requires that an Annual Report be prepared that details the status of implementation of the General Plan. A separate report is required for the status of the Housing Element. This report is to be submitted to the City Council, the Governor's Office of Planning and Research, and the California Department of Housing and Community Development. This report is required to include details of the progress toward implementation of each of the elements within the General Plan.

A city's General Plan serves as the overall guide and vision for all of the community's land use and development activities. Due to the fact that a General Plan requires periodic updates to accurately reflect changes in values and priorities of a community, it is important that local jurisdictions review their General Plans and the status of implementation of the measures

included in each element of the Plan. It is the goal of this Annual Report to provide a tool for this review.

The General Plan contains the seven State required elements: Land Use, Circulation, Housing, Open Space/Conservation, Noise and Safety. The law does not require specific time limits on updates to the General Plan, with the exception of the Housing Element. However, it is essential that a community's General Plan is current and consistent with zoning regulations and changes within the community. As the City Council is aware, most of Colma's General Plan dates back to 1999 and is in need of updating. Over the past calendar year, Staff has also made progress on the 2035 General Plan update.

ANALYSIS

Attached is a table that details each of the policies set forth in elements of the General Plan. The tables contain the implementation measure for each policy along with a status update for each policy. Many of the policies are implemented on a case by case basis, and require ongoing implementation as projects are submitted to staff for review. However, some policies are quite outdated and show the age of our General Plan and are evidence of our need for a General Plan update. The discussion below highlights actions by element (only elements where a significant action occurred are listed):

Housing Element

The following list summarizes the highlights of the Housing Element:

- The application for a 66 unit veteran's affordable housing project was approved. The project is scheduled to be completed by 2018. If this project is built, it will satisfy not only the Town's entire regional housing number (59) for this housing cycle, but will also satisfy the entire affordable housing production goal for the 8-year Housing Element cycle.
- The City Council adopted Housing Impact Fees for commercial and residential development to provide funds for affordable housing development.
- The City Council has approved the subdivision of the Tealdi greenhouse lots on B Street. 9 new lots have been created, 8 of which are intended for new single family dwelling units.
- Colma continues to provide funding to programs such as the Human Investment Project, and Lifemoves as discussed in the Housing Element.
- The number of section 8 units in the Town remains at 8 units between 2015 and 2016.

Additional information about Housing Element compliance can be found in Tables A-C, attached. Since this is a table generated through the state HCD website, there are typing errors generated by their system that cannot be corrected.

Circulation Element

No policy implementation occurred this year on the General Plan Circulation Element

Land Use Element

No policy implementation occurred this year on the General Plan Land Use Element

Open Space and Conservation Element

No policy implementation occurred this year on the General Plan Open Space and Conservation Element

Noise Element

The City Council adopted Ordinance amending Colma Municipal Code Section 5.04.220 relating to the standard hours of construction. This was done to address complaints regarding construction noise and allow staff to enforce construction noise violations. In addition, the Town adopted a garden equipment noise ordinance.

Safety Element

The City Council adopted a Local Hazard Mitigation Plan that furthers the goals of the Safety Element.

Historical Resources Element

No policy implementation occurred this year on the General Plan Historical Resources Element. The new draft of the Historical Resources Element will be folded into the amended General Plan prior to its review and adoption.

Council Adopted Values

The Annual Report on the General Plan complies with the Council's commitment to ***Responsibility*** through the periodic review of the implementation of adopted policies and programs.

Sustainability Impact

None

Alternatives

1. The City Council could take no action. Doing so is not recommended, however, because the Town would not be in compliance with the requirements of Government Code Section 65400.
2. The City Council could provide direction to staff to make changes in the General Plan Annual Report and forward the report to the state.

CONCLUSION

Staff recommends that the City Council, by motion, accept the 2016 Annual Report on the status of Implementation of the General Plan and Housing Element.

ATTACHMENTS

- A. 2016 Annual Report on the Implementation of the Housing Element, including Tables A-C
- B. 2016 Annual Report on the Implementation of the General Plan, Remaining Elements

Attachment A

ANNUAL ELEMENT PROGRESS REPORT *Housing Element Implementation*

(CCR Title 25 §6202)

Jurisdiction COLMA
Reporting Period 01/01/2016 - 12/31/2016

Pursuant to GC 65400 local governments must provide by April 1 of each year the annual report for the previous calendar year to the legislative body, the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD). By checking the "Final" button and clicking the "Submit" button, you have submitted the housing portion of your annual report to HCD only. Once finalized, the report will no longer be available for editing.

The report must be printed and submitted along with your general plan report directly to OPR at the address listed below:

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction COLMA
Reporting Period 01/01/2016 - 12/31/2016

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	
(2) Preservation of Units At-Risk	0	0	0	0	
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction COLMA
 Reporting Period 01/01/2016 - 12/31/2016

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	0	0	0	0	0	0	0

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction COLMA
 Reporting Period 01/01/2016 - 12/31/2016

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Objective	Timeframe in H.E.	Status of Program Implementation
Program 5.2 Human investment Project (HIP) Support.	Supports better utilization of existing housing stock and provides affordable housing. It also supports better maintenance of existing housing stock.	Ongoing Implementation of existing program	Continued support of HIP in 2017
Program 5.3 Section 8 Rental Assistance.	To assure that information is provided to qualified applicants to provide equal access to housing.	Ongoing Implementation of existing program	
Program 5.4 Housing Recordkeeping.	To conserve and improve the condition of the existing housing stock.	Ongoing Implementation of existing program	
Program 5.5 Address the needs of Extremely Low-Income Households.	To assist developers and property owners in making affordable units available, which, in turn, provides equal housing opportunities.	Ongoing. Meetings with property owners and non-profit	

Program 6.1 Greenbuilding Regulations for Residential Uses	To create new and sustainable residential development. To retrofit existing structures to increase efficiency and reduce energy use and cost.	Current State Building Codes require high energy efficiency.	developers on annual basis		
Program 6.2 Encourage use of cool roofing systems and other energy conservation measures to reduce a building's energy usage.	To create new and sustainable residential development. To retrofit existing structures to increase efficiency and reduce energy use and cost.	Ongoing			
Program 7.1 Rebuilding Together Peninsula Participation	To conserve and improve the condition of the existing housing stock.	Ongoing participation in existing program		The Town continues to support Rebuilding Together for projects that they carry out within the Town.	
Program 7.2 Minor Housing Repair Grant Program.	To conserve and improve the condition of the existing housing stock.	Study to be conducted during term of housing element.			
Program 7.3 Neighborhood Improvement (Code Enforcement).	To conserve and improve the condition of the existing housing stock.	Completed. Ordinance adopted September, 2012. Ongoing code enforcement.			
Program 7.4 Low-interest loan program for very-low, low, and moderate income homeowners.	To conserve and improve the condition of the existing housing stock. To allow Low income homeowners to remain in their homes.	Study to be conducted during term			
Program 1.1 Manufactured Housing Design Standards.	Allows for construction of single family residences at lower costs, thereby reducing the cost of housing.	Ongoing		No Manufactured homes have been constructed during the reporting period.	
Program 7.5 Underground Utilities in the Mission Road Corridor.	To make Mission Road more attractive for new residential development.	Portions completed but suspended. Project to		Undergrounding of utilities on Mission Road is not planned for 2017. New affordable housing project on Mission Road is required to underground utilities.	

			remain in CIP	
Program 7.6 Nuisance Abatement and Property Maintenance process to improve Individual Properties and Neighborhood Pride.	To conserve and improve the condition of the existing housing stock.	Ongoing enforcement of existing ordinance and standards.	Ongoing	
Program 7.7 Organize Community Clean Up Days.	To conserve and improve the condition of the existing housing stock.	Ongoing. The Town organizes community clean-up days on an annual basis.	Ongoing	
Program 1.2 General Plan Consistency Review and Annual Report.	Increase awareness to decision makers of annual progress toward meeting Housing Element Goals.	Continue internal consistency review annual and make report public.	Report completed annually in March.	
Program 2.1 Second Unit Ordinance	To increase the number of second dwelling units. To encourage the development of second units in areas of the town where they are permitted or conditionally permitted (C and R zones).	Ongoing	Ongoing	No second units have been constructed during the reporting period.
Program 3.1 Planned Development Districts and Mixed Use.	To optimize the use of developable land to maximize the General Plan density of each developable site. To allow for implementation of Density Bonus provisions when appropriate.	Ongoing	Ongoing	
Program 3.2 Density Bonus Provisions for Affordable Housing.	To increase the supply of housing units through the use of density bonus provisions.	Ongoing	Ongoing	
Program 3.3 High-Density Housing Near Colma and South San Francisco BART Stations.	To facilitate the development of housing units and affordable housing units in proximity to the BART station.	Ongoing provision of information to prospective property buyers.	Ongoing	

<p>Program 3.5 Planned Development Zoning Provisions for Single Family Attached Development.</p>	<p>To optimize the use of developable land to maximize the General Plan density of each developable site. To allow for implementation of Density Bonus provisions when appropriate.</p>	<p>Ongoing enforcement of existing ordinance and standards.</p>	
<p>Program 3.6 Ensure No Net Loss of Required Units.</p>	<p>To assure that all units identified in the Housing Element will be built on designated sites or alternative sites.</p>	<p>Ongoing provision of information to developers / enforcement of the no net loss</p>	
<p>Program 4.1 Reasonable Accommodations Ordinance Public Information, Ordinance Amendment and Monitoring</p>	<p>To assure that reasonable accommodation is made for individuals to have equal access to housing.</p>	<p>Ongoing. Provide public information and monitor implementation of ordinance Amended</p>	<p>Reasonable Accommodation ordinance completed in March of 2015</p>
<p>Program 4.2 Senior Housing.</p>	<p>To maintain affordable housing for seniors within the community</p>	<p>Ongoing</p>	
<p>Program 4.3 Emergency Shelters.</p>	<p>Allowance for emergency shelter</p>	<p>Ongoing</p>	
<p>Program 4.4 Inform local developers of opportunities to provide transitional and supportive housing.</p>	<p>Allowance for transitional and supportive housing.</p>	<p>Ongoing</p>	
<p>Program 4.5 Amend the Zoning Code within one year of adoption of the Colma Housing Element to clarify that transitional and supportive housing is considered a residential use of the property, subject only to those restrictions that apply to other residential dwellings of the same type in the same</p>	<p>Allowance for transitional and supportive housing in residential zones</p>	<p>Ongoing</p>	
<p>Program 4.6 Reach out to local service providers of special needs groups to assist in the identification and analysis of constraints to the provision of housing for persons with disabilities</p>	<p>To assure that equal access and opportunities are provided to persons with disabilities for housing.</p>	<p>Development of program and ongoing implementation</p>	
<p>Program 5.1 Knowledgeable Housing Referral</p>	<p>To assure that referrals can be made to provide equal access to housing.</p>	<p>Ongoing implementation</p>	

		n of existing program	
Program 3.4 Planner Responsibility to Promote Affordable Housing and Mixed-Use.	To assist in the development of affordable units	Ongoing Implementation of existing program	
Program 3.7 Inclusionary Housing.	To create new affordable housing units both for rent and for sale.	Completed November 2016.	Creates impact fees for creation of affordable units.

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction COLMA
Reporting Period 01/01/2016 - 12/31/2016

General Comments:



**2016 GENERAL PLAN ANNUAL PROGRESS REPORT
LAND USE ELEMENT POLICIES & IMPLEMENTATION STATUS**

ATTACHMENT B

5.02.310 LANDSCAPING, DESIGN AND COMPATIBILITY			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.311	In any proposed development the Town shall balance and use judgement in reviewing the visual effects and the potential impacts of the proposed development, facilitating the tranquil atmosphere required for the Town's memorial parks is maintained.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	Ongoing: Policy is being implemented on a case-by-case basis for new projects, both administrative and discretionary.
5.02.312	The Town should take action to improve civic beauty including tree planting, road median landscaping, and enforcement of conditions related to private development projects.	The Town of Colma will commit financial resources for beautification projects including tree planting and road median landscaping in future budgets. Existing budget resources are committed to landscape maintenance. The City Planner currently tracks and enforces conditions related to private development projects.	The following projects have been completed that are consistent with this policy objective: 1) Junipero Serra Blvd median beautification- 2) Junipero Serra gateway sign (south end): 10/2008 3) Junipero Serra gateway sign (north end): 4) El Camino Real Gateway sign (12/2008) 5) Hillside Boulevard, between Hoffman and Serramonte, new ADA improvements, bike lanes, street parking, a sidewalk on the east side (there already exists a sidewalk on the west side), light fixtures, and landscaping were approved as part of the Capital Improvement Plan in 2014. Improvements will extend between Serramonte and Lawndale for Phase II at a future time.
5.02.313	Particular encouragement should be given to those new developments that incorporate passive and/or active solar energy systems for preheating water and for space heating and cooling.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	On-going: during pre-application meetings for new construction, project staff encourages developments to incorporate said measures. In May of 2013, the Town adopted a Climate Action Plan which focuses, in part, on promoting solar/renewable energy installations for commercial and residential development.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.314	The Town should prohibit land uses generating excessive amounts of traffic or requiring large signs from locating on El Camino Real.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects, and an Environmental Review will be conducted pursuant to the California Environmental Quality Act to consider traffic impacts. The Sign Ordinance allows only small signs for businesses facing the El Camino Real.	Case-by-case assessment is done by staff. Projects are reviewed in accordance with CEQA, and traffic studies may be part of the CEQA analysis. Traffic studies are reviewed by Public Works and if it is determined that excessive traffic would be generated, staff would provide this information to Council and make appropriate recommendations. All signage applications are reviewed in accordance with this policy.
5.02.315	The Town should encourage the private redevelopment of properties along Collins Avenue to strengthen the commercial retail core.	The City Planner will make property owners aware of the Town's desire to have properties redevelop.	Property owner's are advised of the desire for redevelopment of properties along Collins Avenue when inquires are made about land use changes and or redevelopment.
5.02.316	Culverting or covering of the remaining open sections of Colma Creek through Colma should not be permitted, except for a short segment near the junction of El Camino Real and Mission Road required for installation of a flood control diversion structure. The Town will seek to enhance the remaining open sections of Colma Creek with creekside landscaping and lighting where possible, and will seek to establish a public pathway following all open sections of Colma Creek as a condition of approval for improvement projects on properties abutting the following open sections of Colma Creek: a) Parallel to El Camino Real from near F Street to near Colma Boulevard b) El Camino Real to Serramonte Boulevard c) Collins Avenue to El Camino Real d) Parallel to Mission Road from near El Camino Real to the South San Francisco boundary.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects. Flood control projects will be constructed by the County Department of Public Works.	There have been no development projects that have provided an opportunity for staff to include a condition of approval to enhance the open creek area. There have been no capital improvement projects that have provided this opportunity.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.317	No new metal clad buildings should be permitted in the Town of Colima, other than agriculturally-related.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	This policy is being implemented and Staff has not allowed new metal clad buildings.
5.02.318	The Town should condition the approval of permits for all site and building improvement projects to require the installation of street trees along the frontage of the affected property. Spacing of trees should be in accordance with an adopted tree planting plan or, if no plan exists, trees should be installed at a minimum spacing of one tree each 25 feet parallel to the roadway.	The City Planner will make recommendations consistent with this policy to the City Council for new development projects.	Implemented on a case-by-case basis. No new development applications have been submitted recently.
5.02.319	In the case of properties located at gateway sites, the Town should require gateway elements to be included as part of the design of any new development where applicable.	The City Planner will recommend design alternatives and a preferred design will be adopted by the City Council. Gateways will be implemented as part of the Town's Capital Improvement Plan or alternatively, as part of the permitting for private site development.	Implemented on a case-by-case basis. Will be implemented when projects or development applications are submitted or will be recommended during pre-application review.

5.02.320 RESIDENTIAL

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.320	The Town should allow only the construction of single family detached housing units as infill in the Sterling Park neighborhood.	In 1998, the City Council adopted a new Neighborhood Residential (R-S) Zoning for the Sterling Park Sub-area. This ordinance clearly defines density and design guidelines to maintain the single family detached character of the neighborhood.	Ongoing: Two new single family dwellings were constructed in the Sterling Park neighborhood in 2007. No new residences have been constructed since this time.
5.02.321	Residential developments having ten or more units should be required to provide park and recreation facilities or contribute to the improvement of community-wide facilities.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	Park Land Dedication ordinance was adopted by the City Council as part of the Municipal Code in March 2006. There have been no projects since the adoption that have required park in-lieu fees.
5.02.322	The Town should restrict to 50 the maximum annual number of new residential units that become available for rent or purchase and should monitor population growth so that the total population is only approximately 1500 by the year 2005.	Regulation of population growth is necessary so that City Services are not overburdened and can be expanded in an orderly manner.	This policy was removed by the City Council in March of 2015.
5.02.323 ✓	The existing commercial use on Hoffman Street should be phased out and replaced with a residential use.	The City Planner will make recommendations consistent with this policy to the Town Council. The City Planner will work with the property owner to design a Planned Development that is compatible with the surrounding residential development.	Completed: The construction staging yard on Hoffman was replaced with an 18-unit townhouse development approved by City Council in July 2000 and construction was completed in April of 2003.

5.02.330 COMMERCIAL

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.324	<p>It is intended that new buildings in design review districts where such buildings are visible from public roads, with the exception of established shopping centers and private cemetery family crypts and markers, should incorporate a Spanish/Mediterranean architectural theme. Exceptions should be allowed if this approach would clash with existing improvements having recognized historical or architectural merit. <u>Should be reviewed to ensure that exterior building design, materials and colors are appropriate for the setting where the new buildings are located.</u></p>	<p>Design requirements consistent with this policy have been added to the Design Review section of the Zoning Ordinance. The City Planner will make recommendations consistent with this policy to the City Council for new development projects or at the administrative level if the project does not require City Council review.</p>	<p>Policy was amended in July of 2015 to not require that all new structures in commercial or office zones be Spanish Mediterranean in design, except for along El Camino Real where the design overlay was kept.</p>
5.02.331	<p>Shopping facilities, auto dealerships, and other general commercial land uses should be located in the commercial core area centered on Serramonte Boulevard and extending northward along Junipero Serra Boulevard to the 280 Metro Center.</p>	<p>The existing commercial zoning pattern, lot sizes and existing development follow this policy. Developments of this type in other commercial areas are not appropriate due to lot size constraints.</p>	<p>Ongoing: all new shopping facilities, auto dealerships, and other general commercial land uses are located in the commercial core</p>
5.02.332 ✓	<p>The City Council should encourage expansion of the Auto Sales District onto vacant and redevelopable properties located at the westerly end of Collins Avenue. All development in the Collins Avenue Corridor should be required to follow specific development guidelines set forth in the General Plan. Heavier service commercial uses such as auto body shops, roofing companies, light manufacturing and similar uses should be located in the Mission Road District. ✓ Special site specific policy. See Exhibit LU-2 for locations.</p>	<p>The City Planner has and will continue to make recommendations for the implementation of the Collins Avenue Corridor development guidelines in the General Plan at a staff level or in proposals presented to the City Council.</p>	<p>Ongoing: this policy is implemented as redevelopment arises and changes in land use are proposed.</p>

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.333	As properties on Collins Avenue are redeveloped, new uses which reinforce the Auto Sales District should be encouraged.	The City Planner has and will continue to make recommendations for the implementation of the Collins Avenue Corridor development guidelines in the General Plan at a staff level or in proposals presented to the City Council.	Ongoing: this policy is implemented as redevelopment arises and changes in land use are proposed.
5.02.334	Commercial land uses requiring frequent truck deliveries should not be located adjacent to residential or cemetery land uses without a sufficient buffer incorporated into their site plans.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects. Colima's primary residential area is physically removed from the commercial areas of Town.	Case-by-case, each proposal for a new commercial land use is reviewed by staff for compliance with this policy.
5.02.335 ✓	Mixed commercial and residential uses should be encouraged in the southerly portion of the Mission Road District and in the commercial frontage along Mission Street in the Sterling Park Planning Area. ✓ Special site specific policy. See on Exhibit LU-2 for locations	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects. Planned Development zoning should be encouraged.	Staff supports this proposal by recommending the development of mixed-use projects in the noted areas when inquiries are made.
5.02.340 EXECUTIVE/ADMINISTRATIVE			
5.02.341	Development proposals for parcels located on El Camino Real between F Street and Mission Road should be consistent with the Cemetery (G) or Executive/Administrative (E) land use categories. Zoning changes on El Camino Real from the Commercial (C) or Cemetery (G) category should only be made to the Executive/Administrative (E) category.	The City Planner will make recommendations consistent with this policy to the Town Council for new development projects or rezoning requests.	Case-by-case implementation; there have been no zoning changes proposed in this area.
5.02.342	The Town should encourage medical service offices and professional business offices to locate their facilities in the Executive/Administrative land use area along El Camino Real.	The Executive/ Administrative land use designation along El Camino Real permits and encourages these uses. Other zoning designations do not encourage these uses.	Staff recommends medical and professional offices to locate in the Executive/Administrative zoning areas of Town. In July of 2013 the Town approved entitlements to construct a new 9,592 square foot three-story, office building built over a one-level at-grade parking podium, on a 0.27 acre project site located at 1850 El Camino Real.

5.07.350 CIRCULATION AND TRANSIT

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.351	<p>The Town should cooperate with SamTrans and BART to facilitate the extension of BART service through Colma in a manner that does not detract from Colma's greenbelt theme. All tailtrack and line extensions shall be located underground following the abandoned S.P. Railroad right-of-way through Colma. Replacement landscaping including the use of tree species that will attain significant height and mass should be required.</p>	<p>The Town of Colma was involved in the BART Environmental Impact Report review process and in the review of specific development plans. Verbal and written comments were submitted back to BART consistent with this policy. The Town will continue to review detailed development plans and to monitor construction operations.</p>	<p>The BART expansion through Town is completed. This policy was successfully implemented as BART trains are screened and only visible in limited locations. Landscaping has been successfully planted to screen appropriately.</p>
5.02.352	<p>Sufficient off-street parking should be required for all new construction, in amounts varying with the type of use.</p>	<p>The Zoning Code specifies the amount of off-street parking required for all new construction.</p>	<p>Off-street parking requirements are based on the land use proposed on-site and are enforced accordingly for new construction and additions.</p>
5.02.353	<p>The City Council should condition the approval of permits for all site and building improvement projects to require the installation of a public sidewalk, if one does not already exist, within the public right-of-way fronting the affected property.</p>	<p>The City Planner will make recommendations consistent with this policy to the City Council for new development projects.</p>	<p>Case-by-case implementation; on projects where sidewalks do not already exist, the City Planner will recommend installation of a sidewalk within the public right-of-way. In July of 2013 the Town approved entitlements to construct a new 9,592 square foot three-story, office building built over a one-level at-grade parking podium, on a 0.27 acre project site located at 1850 El Camino Real. Rather than require a public sidewalk on the site which may never be utilized or connected to sidewalk improvements further south, the permit was conditioned to require that the property owner covenant to provide an access easement for the purpose of providing a public sidewalk if one is required in the future.</p>

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.354 ✓	<p>The Town should abandon "paper streets" in the Cypress Hills district that do not provide access to in-holding lots, or are redundant with other paper streets. Paper streets which provide direct access to in-holding lots should be maintained as public easements.</p> <p>✓ Special site specific policy. See Exhibit LU-2 for locations.</p>	<p>The City Planner will make recommendations consistent with this policy to the City Council. If a paper street is made redundant by an in-holding lot being acquired by an adjoining landowner, the City Planner will recommend to the City Council that the street be abandoned.</p>	<p>When applications arise that include paper streets, the City Planner recommends approval of the "vacation" of paper streets. In February of 2012 the City Council reviewed and approved a Street Vacation for a 5 acre portion of property obtained from Cypress Hills Golf Course by Cypress Lawn. In July of 2013 the City Council reviewed and approved another Street Vacation for an additional .5 acre portion of property obtained from Cypress Hills Golf Course by Cypress Lawn, as part of the Town approved Cypress Lawn Phase 4 grading, tree removal, and project design.</p>
5.02.355 ✓	<p>Access to parcels fronting El Camino Real south of Mission Road should be restricted to right-turn in/right-turn out only. Access to parcels with frontage on both El Camino Real and Mission Road should be restricted to Mission Road.</p> <p>✓ Special site specific policy. See Exhibit LU-2 for locations.</p>	<p>The City Planner will make recommendations consistent with this policy to the City Council for new development projects.</p>	<p>Case-by-case, when developments these specific locations arise, the City Planner will condition the project so that access is limited to right turns in and out only. In July of 2013 the Town approved entitlements to construct a new 9,592 square foot three-story, office building built over a one-level at-grade parking podium, on a 0.27 acre project site located at 1850 El Camino Real. It was a project condition of approval that the driveway only allow for right turns in and out of the property.</p>
5.02.360 UTILITIES			
5.02.361	<p>The Town should require all new construction projects to place power, telephone and cable TV lines underground. Utility boxes and transformers should also be undergrounded if possible. If there is no reasonable alternative than above ground placement then these facilities should be screened by fencing and/or landscaping.</p>	<p>The Town of Colima Municipal Code includes a section on utility undergrounding consistent with this policy.</p>	<p>The new development projects recently approved (and constructed) have been required to underground all utilities and are consistent with this policy.</p>
5.02.362	<p>The Town should require all new construction projects to hook up to public water and sewer systems.</p>	<p>The City Planner will make recommendations consistent with this policy.</p>	<p>All new development projects approved (and constructed) in the recent past have been required to hook up to public water and sewer systems.</p>

5.02.370 PUBLIC SERVICES AND FACILITIES

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.02.371	The Town should acquire additional vacant or underutilized land for civic purposes such as community recreation facilities, playing fields, a library, a public safety facility, and a corporation yard.	The Town continues to investigate opportunities for acquiring additional sites for civic purposes. The City Council will be asked to rate acquisition priorities. Dedicated cemetery land will be protected.	On hold; at this time, The Town is currently not investigating site acquisitions for civic purposes.
5.02.372	The Town should insure that the community is served by a self-sufficient fire protection system which may include support for the existing District, establishment of a joint powers agreement, acquisition of the existing District and facilities or development of a new free-standing fire station.	Continue to work with the Fire District to assure that service can be provided.	The Town is currently served by the Colma Fire Protection District. The preliminary facility study has not triggered a need for additional studies, and the fire protection service to the Town will remain the status-quo at this time.
5.02.373	If the police department maintains its facility at Town Hall, the City Council should consider ways to expand office space and facilities on-site or at a new, off-site location. An off-site location should be sought for a Town corporation yard.	A preliminary space needs assessment has been conducted which indicates that there is an urgent need to expand the Police Department facility to meet current and near-term growth. Maintaining the facility at Town Hall would retain the central location that the current facility enjoys.	Completed- A new Colma Police Station was constructed at 1199 El Camino Real in Colma and began operation in late 2005.
5.02.374	In the case that a private school is proposed to be constructed in Colma, it is appropriate to find a site located near established residential areas and public transit routes. If a church is proposed to be built in Colma, a site should first be sought within a cemetery/agriculture land use area; second, in an executive/administrative land use area; third, in a commercial area.	The City Planner will advise prospective applicants accordingly and make recommendations consistent with this policy to the Town Council for new development projects.	Ongoing: The City Planner will advise inquiring parties about the recommend locations for new private schools or churches on a case by case basis.
5.02.375	Child care facilities should be encouraged in both residential and non-residential areas in ways that are compatible with existing uses, in order to promote availability and accessibility of services. Facilities will be encouraged to register with the Child Care Coordinating Council of San Mateo County.	The City Planner will advise prospective applicants accordingly and make recommendations consistent with this policy to the Town Council for new development projects.	Ongoing: The City Planner will provide information about recommended locations for child care facilities to inquiring parties on a case by case basis.

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5.03.710 CIRCULATION SYSTEM			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.711	Commercial and industrial truck traffic, except for trucks serving local business, should be limited to highways or arterial streets for movement through the Town.	The City Engineer will require appropriate routes consistent with this policy.	Ongoing: Planning staff continues to require that the City Engineer approve all haul routes for projects through mitigation measures and/or conditions of approval
5.03.712	Improvements to Collins Avenue consistent with the Plan Line for Collins Avenue should continue to be implemented as a condition of approval of new development projects.	The City Planner will make recommendations consistent with the policy to the City Council for new development projects.	Policy is implemented on a case by case basis. There has been no major development on Collins Avenue in the recent past that has triggered implementation of this policy.
5.03.713	On-street parking should typically be prohibited except on local streets. On-street parking, where necessary to support commercial businesses, should be oriented primarily to short-term use for the convenience of patrons.	Areas with prohibited or restricted on-street parking are designated with painted curbs and/or signs. The Public Works Department will maintain these designations. The City Engineer will recommend changes when applicable.	All required parking is off-street only, as per the zoning ordinance. On-street parking is not counted toward meeting on-site parking requirements. The Public Works Department continues to monitor on-street parking regulations, and changed standards along Hillside Boulevard to limit parking between 6-8 am on the west side of Hillside Boulevard from the intersection of Serramonte Boulevard every Tuesday and on the east side of Hillside Boulevard from the intersection of Serramonte Boulevard to Sand Hill Road, between the hours of 6:00 and 8:00 AM every Wednesday. Parking regulations along Mission Road were updated in 2012.
5.03.714	A loop road allowing access for emergency vehicles should be included in any future development of the Cypress Hills area. The road should connect the Serramonte Boulevard extension through the Cypress Lawn Hillside Campus to the current golf course access road.	The City Planner will make recommendations consistent with this policy to developers during the design review process. If the property is developed for open space use the road may be private and restricted as to general public access. The road may be installed in increments as land adjoining the right-of-way is improved.	This connection is close to happening. The latest Cypress Lawn improvement ends in a circle that is adjacent to the driving range parking lot.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.715	<p>The Town shall favorably consider street abandonment applications for paper streets that do not provide access to in-holding lots, are not needed for utility purposes, or are redundant with other paper streets, and will not in the foreseeable future serve a public purpose.</p>	<p>The City Planner and City Engineer will identify streets that meet the policy's criteria and make recommendations for abandonment to the City Council based on the merits of the abandonment application.</p>	<p>There have been no street abandonment applications this past year.</p>
5.03.720 COMPLETE STREETS POLICIES			
5.03.721	<p>Private off-street parking should be developed in all of Colma's commercial areas to minimize traffic congestion. Private off-street parking should be developed in conjunction with residential development projects.</p>	<p>The City Planner will make recommendations consistent with policy to the City Council for new development projects.</p>	<p>On going: Implemented on a case-by-case basis. For all new developments, the City Planner enforces the on-site parking requirements.</p>
5.03.722	<p>Pedestrian sidewalks or walkways should be constructed typically along all streets. These should be done as a requirement of private development, <u>where possible</u>.</p>	<p>The City Planner will make recommendations consistent with policy to the City Council for new development projects.</p>	<p>Ongoing: Implemented on a case-by-case basis.</p>
5.03.723	<p>Sidewalks should be constructed where they do not presently exist, where feasible, on:</p> <ul style="list-style-type: none"> • the west side of El Camino Real north of the entrance to the Greek Cemetery to the Colma BART station • one side of Hillside Boulevard • the north side of Serramonte Boulevard from El Camino Real to Hillside Boulevard • the south side of Collins Avenue 	<p>Projects will be considered as part of on-going CIP projects. For improvements on El Camino Real, Caltrans coordination will be required.</p>	<p>Completed:</p> <ul style="list-style-type: none"> • the west side of El Camino Real north of Olivet Parkway and south of Collins Avenue* • the east side of Junipero Serra Boulevard from Colma Boulevard to the Town limits • sidewalk on west side of Hillside Boulevard • Hillside Boulevard, between Hoffman and Serramonte, new ADA improvements, bike lanes, street parking, a sidewalk on the east side (there already exists a sidewalk on the west side), light fixtures, and landscaping <p>Future:</p> <ul style="list-style-type: none"> • Hillside improvements will extend between Serramonte and Lawndale for Phase II at a future time. • the north side of Serramonte Boulevard from El Camino Real to Hillside Boulevard;

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.721	Private off-street parking should be developed in all of Colma's commercial areas to minimize traffic congestion. Private off-street parking should be developed in conjunction with residential development projects.	The City Planner will make recommendations consistent with policy to the City Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis. If projects do not require City Council review, the City Planner will review loading and unloading for commercial uses during permit review process and make appropriate recommendations consistent with this policy.
5.03.722	Pedestrian sidewalks or walkways should be constructed typically along all streets. These should be done as a requirement of private development, where possible.	The City Planner will make recommendations consistent with policy to the City Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis. Facilities for disabled persons are included in all Capital Improvement Programs as well as in new commercial developments.
5.03.723	Sidewalks should be constructed where they do not presently exist, where feasible, on: <ul style="list-style-type: none"> • the west side of El Camino Real north of the entrance to the Greek Cemetery to the Colma BART station • one side of Hillside Boulevard • the north side of Serramonte Boulevard from El Camino Real to Hillside Boulevard • the south side of Collins Avenue 	Projects will be considered as part of ongoing CIP projects. For improvements on El Camino Real, Caltrans coordination will be required.	Ongoing: This policy is implemented on a case-by-case basis.
5.03.724	All loading and unloading of trucks associated with commercial uses should take place out of the road right-of-way in order to avoid potential conflicts with through traffic.	The City Planner will make recommendations consistent with this policy to the City Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis.
5.03.725	Facilities for disabled persons should be constructed in Colma including specified parking spaces, curb ramps at street crossings, sidewalk clearance around obstacles and sidewalk transitions at driveway crossings.	The City Planner will make recommendations consistent with this policy to the City Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.726	Additional driveway access points to El Camino Real and to arterial and collector streets should be discouraged in order to promote traffic safety and retain landscape corridors. Where possible, access should be developed from other streets.	The City Planner will make recommendations consistent with policy to the City Council for new development projects.	On-going: Policy will be considered and implemented with proposed new development projects.
5.03.727	The long term improvement of Hillside Boulevard should include sidewalks and landscaping.	Sidewalks and landscaping are proposed improvements between Serramonte Boulevard and Hoffman Street. Sidewalks are proposed between Serramonte Boulevard and Lawndale Boulevard on the west side of the street. Existing sidewalk sections exist on the east side of Hillside Boulevard between Serramonte Boulevard and Sand Hill Road. Sidewalks on the east side of Hillside Boulevard between Sand Hill Road and Lawndale Boulevard would be required at the time of property development by the property owner.	Hillside Boulevard improvements are completed from Serramonte Boulevard to Hoffman Street. Improvements will be considered as future CIP projects.
5.03.728	The intersection of Mission Road and El Camino Real should be reconfigured to improve safety and to permit left turns from Mission Road onto El Camino Real.	The City Engineer will coordinate with Caltrans on an appropriate configuration. Any necessary funding will be considered in a future CIP.	Future CIP project.
5.03.729	The Town should strive to maintain a Level of Service D or better for all intersections. Levels of E or F should be tolerated during peak periods.	The City Planner and City Engineer will consider and require mitigation, where feasible, to the traffic impacts of new development projects in Colima and proposed in adjoining jurisdictions.	Ongoing. Traffic studies are required for new development projects that could impact LOS for key intersections in Colima. Currently most, if not all, key intersections are operating at an LOS D or better.

5.03.730 TOWN IMAGE

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.731	<p>Colma recognizes six major gateways to the Town:</p> <ul style="list-style-type: none"> • El Camino Real at the intersection of F Street • El Camino Real and Mission Road • Serramonte Boulevard and Collins Avenue where they intersect Junipero Serra Boulevard • Hillside Boulevard at the intersection of F Street • Hillside Boulevard at Lawndale Boulevard • Mission Road at Lawndale Boulevard <p>The Town's gateways should be enhanced and maintained with appropriate landscaping to strengthen Colma's identity. Gateway elements (such as a sculpture or distinctive architecture) should be included at each gateway. The gateway elements should have a consistent theme. Improvements should be included as an element of private development, where appropriate.</p>	<p>The City Planner will make recommendations for the installation of new gateway signs and landscaping consistent with this policy to the City Council whenever a new development project or a CIP project is proposed that will allow for implementation. Remaining gateways to implement include:</p> <ul style="list-style-type: none"> • El Camino Real and Mission Road (which can be implemented when the intersection is reconfigured or improved, or property at 1988 Mission Road is developed) • Hillside Boulevard at the intersection of F Street (to be implemented in Spring of 2015) • Hillside Boulevard at Lawndale Boulevard (to be implemented when the southern section of Hillside Boulevard is improved) 	<p>The installation of the final two gateway monuments will occur when CIP projects are considered</p>
5.03.732	<p>Street trees should be planted along Colma's street system. Trees should be selected from a plant list approved by the City Council in order to create a unifying theme. Street trees should be planted as a requirement of private development, where such developments involve the public street frontage.</p>	<p>The City Planner will designate preferred trees for each street and make recommendations to the City Council for new development projects.</p>	<p>In late 1999 and 2000, 378 new street trees were installed in the Sterling Park neighborhood. Street improvements were also part of the Verano development that was constructed in 2004 with approximately 20 street trees added on the west side of Mission Road. The City Planner implements this policy on a project by project basis when new development applications are submitted.</p>
5.03.733	<p>A utility undergrounding/street beautification program should be carried out for Mission Road in conjunction with the provision of additional off-street parking to improve visual appearance and traffic safety.</p>	<p>Undergrounding and beautification of Mission Road will be considered in as a future Capital Improvement Program project when funds become available.</p>	<p>No funding is available to carry out these improvements. Sidewalks have been installed in some limited areas.</p>

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.03.734	Overhead transmission lines should be placed underground in order to improve the visual quality of all roadways.	Utility undergrounding will be considered in a future Capital Improvement Program.	Completed: Undergrounding of utilities in majority of the Town has taken place. The areas that are still awaiting undergrounding of utilities include portions of the El Camino Real, Mission Road, Junipero Serra Boulevard and Hillside Boulevard.
5.03.740 BICYCLE AND RECREATION IMPROVEMENTS			
5.03.741	Bicycle lanes should be clearly marked on all designated bicycle routes.	The Town will implement, where feasible, San Mateo County's Comprehensive Bicycle and Pedestrian Master Plan (2011) when projects are being considered under the CIP. In addition, the Town will add Class II and class II bicycle markings and improvements to Mission Road, where feasible.	Will be considered in future CIP programs. Bikes lanes are approved for both sides of Hillside Boulevard, between Hoffman and Serramonte, for Phase I, and between Serramonte and Lawndale for Phase II and III.
5.03.742	The Town should seek ways to implement bikeways along El Camino Real, and Hillside Boulevard.	Consistent with the San Mateo County Comprehensive Bicycle and Pedestrian Master Plan (2011), the Town will consult with Caltrans when improvements are being considered for El Camino Real in order to add bicycle lanes where feasible. Future phases of improvements to Hillside Boulevard will consider, where feasible, the addition of bikeways.	Bikeways were installed along Junipero Serra, Hillside Boulevard Phase I and will be installed along Hillside Boulevard in Phases II & III.
5.03.743	The Town should work with the San Francisco Water Company to see what landscaping improvements are possible on the Water Company right-of-way between Serramonte Boulevard and Collins Avenue.	Securing of an access easement and landscaping of portions of the Water Company right-of-way on the Collins Avenue side shall be considered in the future. The Serramonte half of the right-of-way is proposed to be developed with a wellhouse structure that will be fenced for security.	Ongoing. Future CIP project. The ability to implement this policy is now limited due to the installation of a well building.
5.03.750 SCENIC ROUTES			
5.03.751	The Town recognizes El Camino Real, Hillside Boulevard, and the Junipero Serra Freeway as scenic routes. Detailed studies and mapping of the scenic routes should be undertaken as necessary to define precise corridor boundaries. Standards for site planning within scenic corridors should be adopted.	The City Planner will make recommendations consistent with this policy to the City Council for new development projects.	Ongoing: The City Planner recognizes that El Camino Real, Hillside Boulevard and Junipero Serra are scenic routes. During CEQA review of new development projects the impact of proposed development on these scenic corridor locations is reviewed, and where impacts may occur, mitigations measures are suggested.

GENERAL PLAN ANNUAL PROGRESS REPORT OPEN SPACE/CONSERVATION ELEMENT POLICIES & IMPLEMENTATION STATUS

5.04.310 WATER AND AIR RESOURCES			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.311	The City should encourage use of water-saving plumbing fixtures in new construction.	The Building Department will review plans and specifications for new construction for water-saving plumbing fixtures. The City Planner will review landscape and irrigation plans for new developments to assure that landscape practices are in keeping with the Town's Water Efficient Landscape Ordinance.	Ongoing: During plan checks the Building Department encourages use of water saving plumbing fixtures. In May of 2013 the Town adopted a Climate Action Plan which focuses, in part, on promoting water conservation/efficiency through the installation of water-saving plumbing features in commercial and residential construction. Ongoing: During the entitlement phase, the Planning Department reviews landscape plans and discusses the installation of drought tolerant plants that is in compliance with Colima's 2015 Water Efficient Landscape Ordinance.
5.04.312	The City should encourage but not mandate the use of drought-tolerant plants in project landscape schemes.	The City Planner and City Engineer will recommend project specific conditions of approval requiring detention ponds on large scale projects.	Ongoing: Projects of this size are not common in Colima. However, when applicable, the City Planner and City Engineer will require runoff to be channeled to detention ponds.
5.04.313	Surface and roof runoff from large scale projects (over 5 acres) should be channeled to detention ponds to facilitate groundwater recharge and to mitigate flooding of Colma Creek.	The City Engineer will maintain an active Capital Improvement Project (CIP) list to improve the flow of vehicular traffic along major thoroughfares to protect air quality and minimize concentrations of carbon monoxide.	The City Council reinstated the CIP process for the 2015-2016 budget year. The CIP list will be revised for the 2016-2017 fiscal year.
5.04.314	Colma should make timely improvements to facilitate the flow of vehicular traffic along major thoroughfares to protect air quality and minimize concentrations of carbon monoxide.	The City Planner will review project plans and make recommendations consistent with this policy.	Ongoing: This policy is implemented on a case-by-case basis. New developments are required to install bike rack and other measures to encourage use of mass transit and alternative forms of transportation.
5.04.315	The Town should support the use of public/mass transit by encouraging pedestrian-friendly street design and mixed-use development near transit hubs.	The plan review and permitting process in the Town should be used to incorporate stormwater quality control, Best Management Practices and minimize increases of impervious cover.	Ongoing: New applications are reviewed to ensure that BMPs are incorporated and that impervious surface is not dramatically increased. New Low Impact Development (LID) standards shall be applied to new developments to encourage the percolation of water back into the site.
5.04.316	The Town should minimize the water supply and beneficial use impacts of new development and construction activities to the maximum extent possible.		

5.04.320 COLMA CREEK			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.321	Remaining open areas of Colma Creek shall be protected and enhanced for riparian habitat and aesthetic value. This includes the creek bed and a setback on each side extending back 15 feet from the top bank. Particular emphasis shall be given to creek crossings at Serramonte Boulevard, Collins Avenue and El Camino Real.	The City Planner will review project plans and make recommendations consistent with this policy. In addition, the Town may also look for ways to improve creek habitat independent of a private development application.	The creekside setback of 15 feet is implemented; impacts on the open creek channel are reviewed for proposed projects adjacent to the creek. There have been no additional studies by the Town to improve creek habitat at this time.
5.04.322	Open sections of Colma Creek shall be enhanced where appropriate by adding landscaping, pathways and sitting areas along the banks.	The City Planner will review project plans and make recommendations consistent with this policy. In addition, the Town may also look for ways to improve creek aesthetics and use independent of a private development application.	Implemented. Seating and outdoor recreation space was added behind the senior housing complex and Town Hall.
5.04.330 VEGETATION AND PROJECT LANDSCAPING			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.331	Significant tree masses and other vegetative cover, as indicated on the Open Space Map (Exhibit OS-1), shall be recognized as natural resources and will be managed and preserved. Tree removal, if necessary, shall follow the guidelines of the Tree Ordinance. Any vegetation removed as part of a development process shall be subject to a landscaping replacement. As a general rule, a one-for-one replacement will be required.	The City Planner shall review requests to remove existing trees under the Tree Ordinance. Applications will be denied or approved based on circumstances, tree condition, or merit with appropriate replacement landscaping.	Ongoing: All tree removal permits are reviewed by the City Planner, and in most cases, an arborist report is required prior to approval to assess tree conditions before approving removals.
5.04.332	The Town shall encourage use of the representative plant list and landscape criteria set forth in Tables OS-2 and OS-3.	The City Planner shall make the list available to property owner and/or applicants who wish to improve or install landscaping. Additional plant choices will be considered based on appropriate use and climate/soil considerations.	Ongoing: The Planning Department has developed a list of tree and plant species that grow well in Colma and has this information available to residents and developers.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.333	Street trees should be planted along Colma's street system. Trees should be selected from a plant list approved by the City council in order to create a unifying theme. Trees should be planted as a requirement of private development with spacing 20-30 feet apart.	The City Planner will make specific street tree recommendations during the design review process.	Replacement trees are required at a 1:1 ratio as a condition of approval when tree removal permits are issued. In addition, when there has been development within the Town's right-of-way, Planning staff has required tree planting consistent with sidewalk development patterns within Colma.
5.04.334	The Town should encourage property owners to eliminate invasive plants wherever they occur.	Town staff will request property owners to remove invasive plants. The Planning Department can provide information on eradication methods.	Ongoing: During code enforcement for weed abatement staff encourages the removal of invasive plants.
5.04.340 FLOODING			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.341	On-site storm water detention shall be constructed for new developments (over ½ acre) which contribute runoff to Colma Creek to store the difference in runoff between the 10-year predevelopment storm (original natural state) and the 100-year post development storm, with stormwater released at the 10-year predevelopment rate. Property owners should be required to enter into agreements for maintenance.	Recommended conditions of approval will be made consistent with this policy. This policy will be implemented by the Building and Engineering Departments at the time of building permit review.	Ongoing: This policy is implemented by the Building and Engineering Departments at the time of building permit review.
5.04.350 MEMORIAL PARKS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.351	The City shall encourage the preservation, care and maintenance of memorial parks and cemeteries.	The City Council, City Manager and City Planner will continue to monitor and work with cemetery operators to implement this policy.	Ongoing

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.352	Uncommitted cemetery lands will be encouraged to be used for agricultural purposes. Industrial uses shall be prohibited. Conversion of uncommitted cemetery lands to commercial or residential uses shall be discouraged unless there is a demonstrated public need for such change.	The City Planner shall make recommendations on development applications consistent with this policy, the adopted zoning, and General Plan.	Ongoing: Uncommitted cemetery land is currently used for agricultural purposes.
5.04.353	The Pauper's Field known as the Sunset Cemetery should be designated on the Open Space Map and protected against damage or misuse. The Town should not approve any permits for grading or development that could adversely affect the site. Any development within 250 feet of the north edge of the pauper's field should be required to document an archeological survey to determine if burials related to the Pauper's Field exist.	The City Planner and Police Department will monitor activity to protect against misuse. The City Planner will make recommendations on development applications consistent with this policy.	The Pauper's Field remains undeveloped and development on and around this area is restricted.
5.04.360 TOWN IDENTITY			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.361	The Town shall maintain a visual and physical distinction from its surrounding cities.	The City Planner will make recommendations on development applications, signage applications, public improvements, applications for exterior building modifications and landscape plans consistent with adopted General Plan and zoning provisions. A strong Spanish-Mediterranean architectural theme, emphasis on flowering plants and gateway elements will strengthen this distinction.	All new development and remodels are subject to design review where the Spanish-Mediterranean architectural theme is encouraged.
5.04.362	A Spanish-Mediterranean architectural theme shall be utilized for new buildings and major remodeling projects unless an established architectural theme of merit exists.	The City Planner shall only approve or make a recommendation to approve plans that are consistent with this policy.	All new development and remodels are subject to design review. The Spanish-Mediterranean architectural theme is required in specified areas on the DR overlay map.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.363	El Camino Real shall be maintained as a greenbelt with wide, landscaped setbacks. The Town shall introduce a street tree program to enhance the greenbelt theme.	The City Planner and City Engineer shall develop a street tree program after approval of a plan and funding by the Town Council.	The Planning Department continues to promote El Camino Real as a wide greenbelt with landscaped setbacks; however a street tree program has not been pursued or funded at this time.
5.04.364	The Town shall promote the image of Colma as a flower town by encouraging the continuation of flower growing in agricultural areas, by requiring the use of flowering trees, shrubs and groundcover in project landscaping and by installing seasonal flowers on publicly-owned properties.	The City Planner shall make recommendations or implement this policy for new developments, landscape changes or public improvements.	Ongoing: Flowering shrubs and plants are encouraged as part of new development projects as well as Capital Improvement Projects. However, this policy is balanced with the need to utilize drought tolerant planting.
5.04.365	The Town shall promote the design and installation of special landscape features at principal entrances to Town.	The City Planner will make recommendations to implement this policy.	This policy has been partially implemented at some of the gateway locations into Town with the installation of a Town sign along with palm trees planted adjacent to the sign.
5.04.366	The Town shall promote a civic art program.	The City Planner will make recommendations to implement this policy for larger development projects and public projects and spaces.	A Public Art ordinance was drafted and brought before City Council for consideration in 2007, but it was decided that this policy was not a priority for the Town to pursue at that time.
5.04.367	A consistent street beautification strategy should be incorporated into future roadway improvements to establish a unique and identifiable aesthetic throughout the Town.	The City Planner and City Engineer will develop a street design program for approval and funding by the Town Council.	Ongoing: Street improvement plans are considered for implementation of a standard street design to establish a uniform look throughout the Town. Currently this design is under consideration for possible improvements to Hillside Boulevard.

5.04.370 CYPRESS HILLS PROPERTY

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.371	Future use of the Cypress Hills property other than for park, cemetery or golf course use shall be considered only in conjunction with an overall Master Plan.	City Planner will advise prospective developers of this requirement and make recommendations consistent with this policy.	The Cypress Hills property is currently transitioning to cemetery land use with purchases by Cypress Lawn. Since no other land uses are contemplated, a Master Plan is not required at this time.
5.04.372	The Town should require reclamation of the Hillside Landfill. Reclamation shall include the expansion of the Cypress Hills Gold Course within the Town boundaries, development a passive use area within the County area of the jurisdiction and development of a trailhead parking area within the Town to provide access to San Bruno Mountain Park from Hillside Boulevard.	The City Planner will work with operator and other agencies to implement this policy, with Town Council approval of the final reclamation plan.	Ongoing discussions by the City and land owner.
5.04.373	The Town should not approve any new landfill operations in Colma.	The City Planner will make recommendations consistent with this policy to the Town Council.	No new landfill operations have been proposed.

5.04.380 THREATENED AND ENDANGERED SPECIES

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.381	New developments on properties having open creeks and ponds shall be subject to an investigation of the presence of the threatened Red-legged frog and the endangered San Francisco garter snake.	The City Planner, through the Environmental Review, will ensure that this policy is met.	Ongoing: Staff monitors proposed developments and will require biological studies for projects near sensitive habitats.
5.04.382	Tree removal requests shall be subject to an investigation of the presence of active raptor nests.	The City Planner, through the Environmental Review, will ensure that this policy is met.	Ongoing: Conditions of approval requiring nesting studies under the Migratory Bird Act are included on approvals for tree removals.

5.04.390 PUBLIC PARKS AND RECREATION

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.04.391	<p>The City shall endeavor to increase public park and recreation opportunities in Colma, such as an expansion of the Sterling Park Community Center, a community garden at the Senior Housing Complex, a historical park, and a community playfield.</p>	<p>The City Planner, City Manager and City Council will continue to look for opportunities to implement this policy.</p>	<p>There have been no increases to public park spaces recently.</p>
5.04.392	<p>To promote the creation of a trail and pathway network, the City Council should condition the approval of permits for all site and building improvement projects, where such projects involve the public street frontage, to require the installation of a public sidewalk, if one does not already exist, within the public right-of-way fronting the affected property. Sidewalks should be a minimum 5 feet wide (4'6" walkway and 6" curb).</p>	<p>The City Planner and City Engineer will make recommendations consistent with this policy to the City Council.</p>	<p>Ongoing: where the opportunities arise, staff will require sidewalk installation where non existing. In July of 2013 the Town approved entitlements to construct a new 9,592 square foot three-story, office building built over a one-level at-grade parking podium, on a 0.27 acre project site located at 1850 El Camino Real. Rather than require a public sidewalk on the site which may never be utilized or connected to sidewalk improvements further south, the permit was conditioned to require that the property owner covenant to provide an access easement for the purpose of providing a public sidewalk if one is required in the future.</p>
5.04.393	<p>The Town should work with the San Francisco Water Company to see what landscaping and pedestrian improvements are possible on the Water company right-of-way between Serramonte Boulevard and Collins Avenue.</p>	<p>Landscaping for portions of the easement is included in the Town's 1998/99-2002/03 Capital Improvement Program. The City Planner will make recommendations consistent with this policy to the City Council.</p>	<p>Ongoing discussions with SFPUC regarding their right-of-way. With the construction of a well building in the right of way, the ability to include pedestrian improvements is not possible.</p>

2016 GENERAL PLAN ANNUAL PROGRESS REPORT NOISE ELEMENT POLICIES & IMPLEMENTATION STATUS

5.06.310 NOISE ELEMENT POLICIES			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.06.311	The Town should review proposed development with regard to potential noise generation impacts, to ensure that the tranquil atmosphere for the Town's memorial parks is maintained.	The City Planner will make recommendations consistent with this policy and Subchapter 2.05 Noise Limitation of the Town Municipal Code to the Town Council for new development projects.	Ongoing: All development projects that are subject to CEQA review are analyzed for potential noise impacts, both construction related and operational. Mitigation measures, including limits on construction hours, are imposed where needed. In December of 2013 the Town added Subchapter 2.05 Noise Limitation to the Town Municipal Code, which allows for police department enforcement of noise complaints or violations.
5.06.312	Land use decisions should include consideration of the noise compatibility chart and acoustic reports required for all development in locations where noise levels exceed the "normal acceptable" range for specified land use types. Mitigation measures should be required if recommended in the acoustic report.	Acoustic reports will be required for applicable new projects, consistent with this policy. The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	Ongoing: Noise studies (acoustic reports) are required where it is anticipated that noise levels may exceed "normal acceptable" levels, and mitigation measures are imposed as needed to reduce noise levels to "normal acceptable" range.
5.06.313	A detailed acoustic report should be required in all cases where hotels, motels and multiple-family dwellings are proposed in areas exposed to exterior noise levels 60 Ldn or greater. Mitigation measures should be required if recommended in the report.	Acoustic reports will be required for applicable new projects, consistent with this policy. The City Planner will make recommendations consistent with this policy to the Town Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis where multiple-family dwellings are proposed in areas exposed to exterior noise levels 60 Ldn or greater.
5.06.314	All BART tail tracks and line extensions through Colma shall be located underground along the former Southern Pacific Railroad right-of-way so that environmental noise impacts are minimized.	The design for the BART line through Colma is consistent with this policy. Any future additions or modifications to the BART line through Colma must be consistent with this policy.	This policy has been implemented and there have been no other additions or modifications to the BART line through Colma.
5.06.315	An ordinance should be adopted limiting days and hours of construction to provide quiet time.	The City Planner will work with the City Engineer to prepare an ordinance for City Council consideration.	Completed: Colma Municipal Code Section 5.04.110-5.04.140 was revised in 2016 to include further limits on construction hours.

GENERAL PLAN ANNUAL PROGRESS REPORT SAFETY ELEMENT POLICIES & IMPLEMENTATION STATUS

5.07.410 SEISMIC AND GEOLOGIC			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.411	The Town should continue to investigate the potential for seismic and geologic hazards as part of the development review process and maintain this information for the public record. Safety Element maps should be updated as appropriate.	The City Planner will review incoming geologic reports associated with new development and update base information and maps.	Ongoing: Each project that includes a seismic and geologic hazards investigation as part of the development review process is kept on file and City maps will be updated as new information is received.
5.07.412	The Town should require geotechnical, soils and foundation reports for proposed projects which warrant them according to the Safety Element and its geologic and Hazard Maps, the County's Seismic and Safety Element; and the Town's Building Official and Building Codes.	Soils and geotechnical reports will be required as part of the submittal for new development projects. The City Engineer and Building Official will review necessary reports as part of the building permit process.	Ongoing: This policy is implemented on a case-by-case basis; for new construction projects and additions, geotechnical, soils and foundation reports are required and analyzed in the CEQA document as well as by the City Engineer during the permitting process.
5.07.413	Colima should prohibit development in seismic or geologically hazardous zones, including any land alteration, grading for roads and structural development.	Based on applicable Geologic and Engineering reports, this policy will be carried out by the City Engineer and City Planner.	Ongoing: This policy is implemented on a case-by-case basis.
5.07.414	All critical care facilities and services should be designed to remain functional following the maximum credible earthquake. Placement of critical facilities and high-occupancy structures in areas prone to violent ground shaking or ground failures should be avoided.	The City Engineer and Building Official will review Geologic reports, Engineering studies and plans for these types of structures.	Ongoing: This policy is implemented on a case-by-case basis.
5.07.415	The Town should request that owners of all buildings identified as unsafe have their buildings inspected by a licensed engineer or architect, and take the necessary steps to make them safe.	This policy will be implemented by the Building Department.	Ongoing: This policy is implemented on a case-by-case basis. To date, no unsafe buildings have been identified.
5.07.416	Colima should work with San Mateo County, California Water Service Company and the San Francisco Water District to ensure that all water tanks and main water pipelines are capable of withstanding high seismic stress.	The City Planner and City Engineer will make inquiries about these items.	Ongoing: Discussions are held with utility providers. SFPUC has recently reviewed water distribution lines and replaced a main distribution line just south of Serramonte Boulevard.

5.07.420 FLOODING

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.421	Drainage facilities should be maintained to accommodate the flow capacity of Colma Creek through Colma to accommodate the storm water runoff from a 100-year storm.	The Town will continue to participate in the review of flood improvement projects, carried out by San Mateo County, to reduce flood hazards throughout the town.	The Colma Creek by-pass pipe was installed on El Camino Real, and has been constructed to accommodate a 100-year storm event.
5.07.422	The Town should continue to require the habitable portions of new structures to have a first-floor elevation that is elevated to or above the projected 100-year water surface, and to be adequately protected from flooding, as defined in the Municipal Code (Section 5.05.335).	This policy will be implemented as a standard condition of Planning Permits and during review of construction plans by the City Engineer and Building Official.	Ongoing: This policy is implemented on a case-by-case basis.
5.07.423	On-site storm water detention facilities should be constructed for new developments (over ½ acre) which contribute runoff to Colma Creek to store the difference in runoff between the 10-year predevelopment storm (original natural state) and the 100-year post development storm, with stormwater released at the 10-year predevelopment rate. Property owners should be required to enter into agreements for maintenance.	This policy will be implemented as a standard condition of Planning Permits and during review of construction plans by the City Engineer and Building Official.	Ongoing: This policy is implemented on a case-by-case basis. New developments in Town have been required to comply with this policy and maintenance agreements have been implemented.

5.07.430 FIRE SAFETY

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.431	The Town should support the Fire Protection District as they strive to improve the District's ISO rating.	The City Council and City Manager will continue to monitor and work with the Fire Protection District to implement this policy.	Ongoing.
5.07.432	Colma should ensure that all buildings have visible street numbers and are accessible to fire vehicles and equipment. A minimum 20 foot wide fire lane should be provided to all commercial and large scale residential facilities.	The Fire Protection District will review and condition approval of new development plans to meet these standards and will encourage businesses, at the time of fire inspections, to meet these and other fire safety standards.	Ongoing: This policy is implemented on a case-by-case basis. All new development projects and remodels are routed to the Colma Fire District for comment. Fire lanes are inspected on site by the Fire Marshall
5.07.433	Colma should assist the Fire Protection District in efforts to continue to maintain an average response time of two to four minutes to all locations in Colma.	The City Council and City Manager will continue to monitor and work with the Fire Protection District to implement this policy.	Policy is currently being met with in town response times within two to four minutes.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.434	The Town should continue to have the Colma Fire Protection District review development plans for conformity with the Uniform Fire Code and Title 24 of the California Building Code.	The Fire Protection District or its designee will continue to review development plans.	Ongoing: All applications for development are routed to the Fire Protection District for review comments for conformity with the UFC, Title 24 and the CBC.
5.07.435	The Town should support the Fire Protection District's continued programs of fire prevention and public education about fire safety.	The City Council and City Manager will continue to monitor and work with the Fire Protection District to continue this program.	Ongoing.
5.07.436	Encourage the Fire Protection District to continue its participation in mutual aid agreements with Pacifica, Daly City, San Bruno, South San Francisco, Brisbane and the San Mateo County Fire Chiefs Association County Wide Plan.	The Fire Protection District will continue to implement ways to improve local service to Colma and neighboring communities.	Ongoing
5.07.437	The Town should insure that the community is served by a self-sufficient fire protection system that may include support for the existing District, establishment of a joint powers agreement, acquisition of the existing District and facilities or development of a new free-standing fire station.	The City Council and Fire Protection District will continue to monitor and evaluate future service for the Town.	Ongoing. No significant new developments have occurred over the past few years.
5.07.438	Colma should consider acquisition of a site for a new public safety facility.	The Town continues to investigate opportunities for acquiring sites for civic purposes.	Due to the recession, there have not been any recent discussions about acquiring sites.
5.07.440 HAZARDOUS MATERIALS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.441	Colma should support County efforts to locate, regulate and maintain information regarding hazardous materials located or transported within the Town.	The Fire Protection District, San Mateo County Environmental Health Department, and the City Engineer will carry out this policy.	Ongoing
5.07.442	Colma should collect and maintain a list of locations in Town where hazardous materials are used.	The Fire Protection District, City Engineer, and City Planner will maintain hazardous materials lists.	Ongoing. List kept by the Fire Protection District

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.443	Measures aimed at significantly decreasing solid waste generation should be promoted. Recycled materials storage and collection areas should be required throughout the Town and in all new developments.	The City Council will continue to work with waste haulers and owners of the Hillside Landfill in Colima to reduce solid waste generation and to increase recycling. Proper waste storage will be required as a standard condition of Planning Permits.	This policy has been implemented with a new waste collection process that has been implemented for curbside recycling of materials; in addition recycling deposits are required for demolition permits issued by the Building Department and standard conditions regarding waste storage are included with entitlement approvals. The Town has adopted ordinances prohibiting the use of polystyrene containers and single use plastic bags.
5.07.444	Public awareness of safe and effective hazardous waste use, storage and disposal should be promoted. The Town newsletter should be used to inform residents.	Articles or prepared materials from various sources will be distributed or included in the Town newsletter.	Ongoing
5.07.450 EMERGENCY OPERATIONS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.451	The Town should maintain the Colima Emergency Management Plan and continue to participate with San Mateo County's Mutual Aid Programs and Operational Area Emergency Services Organization as a basis for community emergency preparedness.	City staff will continue to work with the San Mateo Operational Emergency Services Organization to maintain and improve community emergency preparedness	Ongoing: Colima continues to participate in the SM County's Mutual Aid program.
5.07.452	Colima should continue to analyze significant seismic, geologic and community wide hazards as part of the environmental review process, and require that mitigation measures be made conditions of project approval.	The City Planner and other departments will monitor and recommend hazards mitigation as part of project approval.	Ongoing: Projects that require CEQA review included analysis of seismic, geologic and community wide hazards and where applicable, mitigate measures are included to reduce impacts from these hazards.
5.07.453	Emergency evacuation routes should be determined by the Police Chief and City Engineer. Evacuation routes should follow the major roadways as set forth in the Circulation Element.	The Police Department will direct any necessary evacuation routes.	Ongoing: no change
5.07.454	Colima should promote awareness of the Town's emergency operations procedure. The Town newsletter should be used to inform residents.	Articles or prepared materials from various sources will be distributed or included in the Town newsletter.	Ongoing: Colima's EOC regularly conducts drills to ensure that employees and members of public are aware of emergency operations; the Town's newsletter also contains information about how to handle and prepare for emergency situations.

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.07.455	<p>Colma should strive to improve interjurisdictional, interagency cooperation with other public and private agencies for safety in future land use planning, hazard prevention and emergency response.</p> <p>Colma should work with the Colma Fire Protection District to establish an alternative Emergency Operations Center, if the Fire Protection District facility is not operational.</p>	<p>City staff will communicate with their counterparts in other jurisdictions to continue to work toward protecting community safety.</p> <p>City staff will work toward having necessary supplies available at an alternative site when one is selected.</p>	<p>Ongoing</p>
5.07.456			<p>The main EOC (Emergency Operations Center) is the Police Station, and the alternative EOC is Colma's Town Hall. In addition, Sterling Park Community Center and the Hillside Community Center have been designated as emergency shelter locations.</p>

2016 GENERAL PLAN ANNUAL PROGRESS REPORT HISTORICAL ELEMENT POLICIES & IMPLEMENTATION STATUS

5.08.210 HISTORIC RESOURCE PROTECTIONS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.08.221	Colma should encourage the rehabilitation and continued use or reuse of designated historic buildings or sites whenever planning or building permits are involved	The City Planner will make recommendations consistent with this policy to the City Council	Ongoing: This policy is implemented on a case-by-case basis. City Planner worked with developer of proposed mixed use project at Bocci site, 7778 El Camino Real, to relocate and restore historic Bocci office building across the street to make way for new project; however project was ultimately withdrawn in 2008.
5.08.212	Important historic resources should be protected through designation by the Town of Colma.	The City Planner will make recommendations consistent with this policy to the City Council.	The Town of Colma has not designated any historic resources. Potential resources are protected through the CEQA process.
5.08.213	State and/or Federal recognition of selected historic resources should be sought by applying for designation as a California Historical Landmark, or a California Point of Historical Interest, and/or inclusion in the National Register of Historic Places. Nomination to the California Register of Historical Resources should be made for qualifying public buildings and whenever private property owners concur.	The City Planner will facilitate applications for qualifying public buildings, and assist property owners who want to apply for historical designation for their buildings.	No property owners have sought designation.
5.08.220 HISTORIC RESOURCE PROTECTIONS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.08.221	A Historic Preservation Ordinance and Historic District Resource "HR" Combining Zone should be used to identify historic resources. Protection of historic resources should be provided by use of the design review procedure.	The City Planner will make recommendations consistent with this policy to the City Council.	A Historic Preservation Ordinance and HR combining zone has not been established to date.
5.08.222	The Colma Historical Association should be consulted whenever a proposed development project involves a designated historic resource in Colma.	The City Planner will contact the Colma Historical Association and solicit input whenever a proposed development project involves a designated historic resource.	Ongoing: This policy is implemented on a case-by-case basis.
5.08.223	Colma should use the nationally established Rehabilitation Standards and Guidelines for the Restoration and Rehabilitation of Historic Structures (See Appendix C).	The City Planner and Building Department will make recommendations consistent with this policy to the City Council.	Ongoing: This policy is implemented on a case-by-case basis when repair or construction projects are proposed on historic structures (as identified in this Element).

POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.08.224	Colma should use the California State Historical Building Code (SHBC) for designated buildings to encourage historic rehabilitation.	The City Planner and Building Department will make recommendations consistent with this policy to the City Council.	Ongoing: This policy is implemented on a case-by-case basis when repair or construction projects are proposed on historic structures (as identified in this Element).
5.08.225	A Historic Resources inventory should be maintained, including keeping a current list of all local, state, and federally designated historical landmarks, points of historical interest, historic resources and historic districts in Colma.	The City Planner will maintain a Historic Resources Inventory and make it available for public inspection.	Ongoing: A Historic Resources inventory was prepared to facilitate preparation of the Historic Resources Element. The inventory is available for public inspection.
5.08.226	The Town should utilize its Design Review procedure for review of development in historic districts and adjacent to designated historic landmarks.	The City Planner will make recommendations consistent with this policy to the City Council for new development projects.	Ongoing: This policy is implemented on a case-by-case basis.
5.08.230 INCREASE PUBLIC AWARENESS			
POLICY NUMBER	POLICY	IMPLEMENTATION MEASURE	STATUS OF POLICY IMPLEMENTATION
5.08.231	The Town should provide information to the public concerning the location of historic resources and their value to the community, State and Nation.	The City Planner will maintain a Historic Resources Inventory and make it available for public inspection. Referrals to the Colma Historical Association will also be made.	Ongoing
5.08.232	The Town should support the Colma Historical Association in their efforts to expand historical knowledge about Colma.	The Town will pursue establishment of an historical park and museum for Colma.	Completed: The Colma Historical Association moved into their expanded location at 1500 Hillside Boulevard in 2003.
5.08.233	Colma should maintain communication with the State Office of Historic Preservation, California Register of Historical Resources and San Mateo County Planning Department to disseminate information about historical resources in Colma.	The City Planner, City Manager and City Council will take actions consistent with this policy when required.	Ongoing



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Sean Rabé, City Manager / Town Treasurer
 MEETING DATE: March 8, 2017
 SUBJECT: Semi-Annual Report of Investment Holdings

RECOMMENDATION

Staff recommends that the City Council approve a:

MOTION TO RECEIVE AND FILE THE SEMI-ANNUAL REPORT OF INVESTMENT HOLDINGS, WHICH IS PRESENTED FOR INFORMATIONAL PURPOSES.

EXECUTIVE SUMMARY

As part of day to day operations the Town maintains cash balances which can be invested to provide additional revenue. The City Manager has been designated by City Council Resolution as the Treasurer. The adopted Investment policy provides for the Treasurer to make periodic reports of balances held as investments. The majority of the Town investments are placed in public agency investment pools, which invest funds for more than one public agency. The reported investments are in compliance with the Town Investment policy and are appropriately structured to allow the Town to meet its expenditure requirements for the next six months.

FISCAL IMPACT

The adopted FY 2016-2017 Budget projected total interest revenue to be \$141,300 for all funds.

BACKGROUND

As stated in the adopted Town Investment policy, the Treasurer shall prepare a report to the City Council not less than semi-annually. In accordance with the policy the report was available within 60 days following December 31st. Further the policy requires that the semi-annual report shall be presented at a subsequent regularly scheduled City Council Meeting. The report is to include an overview of the investment activity including: a monthly listing of investment transactions if any; a Report the beginning and ending balance by quarter; Provide a separate breakdown of the quarterly balance based on the Investment Pool (LAIF, SMCIF, etc); Provide net Deposits and Withdrawals for the period; Identify total interest for the quarter; and Provide the interest rates earned including a cumulative weighted average. This report provides the required information, including additional narrative explanations.

ANALYSIS

Portfolio Overview

As shown below, during the first two quarters of Fiscal Year 2016-2017 the Town Portfolio averaged \$31.3 million. The amount invested each of the first two quarters fluctuated based on cash flow.

**TOWN OF COLMA SUMMARY OF PORTFOLIO
SEMI-ANNUAL REPORT (Quarters 1 & 2 - July - December 2016)
FISCAL YEAR 2016-2017
(Prepared February 17, 2017)**

TOWN OF COLMA FUNDS

	Quarter 1	Quarter 2
	9/30/16	12/31/16
Cash In Bank	\$7,933,376.62	\$9,872,116.00
Public Agency Investment Pools (Schedule A)	\$22,377,318.14	\$22,426,926.66
TOTAL PORTFOLIO CASH & INVESTMENTS	\$30,310,694.76	\$32,299,042.66

TRUSTEE FUNDS - Bank of New York Mellon **Town Hall Remodel Project Certificate of Participation (COP)**

	Quarter 1	Quarter 2
	9/30/16	12/31/16
Cash With Trustee		
Money Market Funds	\$366.09	\$641.01
Public Agency Investment Pool (LAIF)	\$4,130,294.36	\$2,992,833.12
TOTAL COP FUNDS	\$4,130,660.45	\$2,993,474.13

The quarterly balance at the end of the first quarter was \$30.3 million and had increased to \$32.3 million by the end of the second quarter December 31, 2016. The report includes balances held in First National Bank as well as Government Agency Investment pools.

Included above, is a summary of funds obtained as part of the Town Hall Renovation Certificate of Participation Financing would typically not be reported as part of the Town Portfolio. The investment of these funds is subject to the financing documents. The majority of the funds are held in the State Local Agency Investment Fund (LAIF) and subject to restrictions on the timing of withdrawals. The Trustee Bank (Bank of New York Mellon) processes withdrawals based on instructions from the Town. These funds will be expended as construction on the project continues and are shown to provide a more complete disclosure.

Transaction Activity within Investment Pools

The Town has funds invested in two government agency investment pools. Local Agency Investment Fund (LAIF) is managed by the State Treasurer and accepts deposits from over 2,400 agencies throughout the State and has a portfolio in excess of \$21 billion. These funds are relatively liquid with a limit of fifteen transactions per month. The San Mateo County Investment Fund is a similar arrangement managed by the San Mateo County Treasurer. As of December 31, 2016 the SMCIF had approximately \$5 Billion invested. This includes County funds as well as cities, school districts, and other special districts.

Included below is the balance in each of the investment pools at the beginning and end of each quarter. The net withdrawals and deposits for each quarter are also presented as background on the overall level of transactions. Due to the balance of funds retained with the commercial bank investment transactions in the investment pools are limited to the posting of interest.

**SEMI ANNUAL REPORT BALANCES FOR QUARTERS 1&2 (July - December 2016)
TOWN OF COLMA REPORT OF INVESTED FUNDS FISCAL YEAR 2016-17
STATE TREASURER - LOCAL AGENCY INVESTMENT FUND (LAIF) and
SAN MATEO COUNTY INVESTMENT FUND
(Prepared February 17, 2017)**

QUARTER 1: JULY 2015 - SEPT 2016	LAIF	SMCIF	TOTAL
Beginning Balance	\$3,758,414.25	\$18,575,032.51	\$22,333,446.76
Purchases / Deposits			0.00
Withdrawals			0.00
Interest Posted	5,710.69	38,160.69	43,871.38
Ending Balance	\$3,764,124.94	\$18,613,193.20	\$22,377,318.14
QUARTER 2: OCT 2016 - DEC 2016			
Beginning Balance	\$3,764,124.94	\$18,613,193.20	\$22,377,318.14
Purchases / Deposits			0.00
Withdrawals			0.00
Interest Posted	6,411.57	43,196.95	49,608.52
Ending Balance	\$3,770,536.51	\$18,656,390.15	\$22,426,926.66

Earnings / Distribution of Portfolio

Outlined below is information related to the distribution of investments at the end of each quarter (Bank compared to LAIF compared To SMCIF). The average over the first two quarters was 12% invested in LAIF, 28% in First National Bank, and 60% in the SMCIF. Placing idle funds in more than one investment provides a level of diversity for the overall portfolio.

SEMI ANNUAL REPORT INTEREST RATES FOR QUARTERS 1&2 (July - December 2016)
TOWN OF COLMA FISCAL YEAR 2017
PORTFOLIO EARNINGS
(Prepared February 17, 2017)

	QUARTER 1		QUARTER 2	
	Quarter 1 As of 9/30/2016	Percentage Of Portfolio	Quarter 2 As of 12/31/2016	Percentage Of Portfolio
Balance(s)				
BANK BALANCE	\$7,933,376.62	26.2%	\$9,872,116.00	30.6%
LAIF	\$3,764,124.94	12.4%	\$3,770,536.51	11.7%
SMCIF	\$18,613,193.20	61.4%	\$18,656,390.15	57.8%
TOTAL	<u>\$30,310,694.76</u>		<u>\$32,299,042.66</u>	

Interest Rates

BANK BALANCE	0.250%	0.250%
LAIF	0.600%	0.680%
SMCIF	0.839%	0.937%

Weighted Average

0.655%

0.697%

FISCAL YEAR 2017 ANNUAL WEIGHTED AVERAGE (YTD)

0.676%

The information presented above also outlines the interest earnings for the investments held by the Town. Overall interest rates are rising as the Federal regulators are increasing interest rates. For the first two quarters the weighted average earnings of the portfolio was approximately 0.676%. In accordance with the adopted policy the investment of public funds emphasizes safety, liquidity, and then yield. The public Agency pools are structured to align with these goals.

Reasons For the Recommended Action

Receipt of this report complies with the adopted Investment Policy.

Values

The Staff recommendation is consistent with the Council adopted values of:

- *Responsibility*: Making decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the agency, especially its financial stability.

CONCLUSION

Staff recommends the City Council receive and file the report.



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Lori Burns, Human Resources Manager
 VIA: Sean Rabé, City Manager; Christopher J. Diaz, City Attorney
 MEETING DATE: March 8, 2017
 SUBJECT: Establish a Retiree Health Savings Program

RECOMMENDATION

Staff recommends that the City Council adopt the following:

RESOLUTION ESTABLISHING AND APPROVING THE VANTAGECARE
 RETIREMENT HEALTH SAVINGS (RHS) PROGRAM AND APPROVING
 RELATED DOCUMENTS TO IMPLEMENT THE PROGRAM

EXECUTIVE SUMMARY

In the Memorandum of Understandings (MOUs) effective January 1, 2016, the Town and its two bargaining units, the Peace Officers Association (POA) and the Police Communications/Records Association (PCRA), agreed to establish the VantageCare Retiree Health Savings Program (RHSP) as soon as administratively possible to provide portable retiree health reimbursement accounts for: (a) all members hired on or after January 1, 2017, and (b) members hired before January 1, 2017 who make a one-time irrevocable election to receive the RHSP benefit in lieu of the retiree health benefits they would have otherwise been entitled to ("Irrevocable Election"). The RHSP accounts will also be established for: (a) unrepresented employees hired on or after January 1, 2017, and (b) unrepresented employees hired before January 1, 2017 who an Irrevocable Election.

The Resolution, Plan, Adoption Agreement, Administrative Service Agreement, and Trust are all required documents to implement the RHSP.

FISCAL IMPACT

The proposed resolution authorizes the establishment of an RHSP allowing the Town flexibility to control and reduce the cost of providing medical insurance to separated employees participating in the RHSP. Through the RHSP, administered by ICMA/RC, the Town can set contributions to employee-owned accounts without the restrictions imposed by PEMHCA. It is expected that these actions will significantly reduce the Town's future liabilities as related to GASB 45 Other Post-Employment Benefits (OPEB). When all current employees, annuitants and dependents are no longer on the Town's Public Employees' Medical & Hospital Care Act (PEMHCA) plan as supplemented by additional contributions by the Town to a Section 125 plan

or health reimbursement arrangement (“HRA”), as appropriate, the Town’s retiree medical obligation will be limited to the PEMHCA Minimum, but only if the employee becomes an eligible Town annuitant.

BACKGROUND

When the Town elected to participate in PEMHCA in 1974, it resolved to pay equal amounts for the cost of medical insurance for employees and annuitants¹ pursuant to what is commonly referred to as a PEMHCA resolution. This is a binding resolution between the Town and PERS meaning that within the PEMHCA system, the Town must pay the same contribution for employee and annuitants health premiums, except for those annuitants hired on or after the effective date of a health benefit vesting schedule, until a new PEMHCA resolution supersedes the existing one(s).

In 2008 an actuarial report determined the Town’s unfunded liability related to OPEB² liability to be between \$5.4 and \$9.7 million depending on which discount rate is used (7.75% or 4%). The Town’s 2015 actuarial report determined the Town’s unfunded liability related to its OPEB to be \$6.6 million. At that time, the City Council made the prudent decision to deposit \$1 million in an irrevocable trust to pre-fund OPEB liabilities. The 2016 unfunded OPEB liability is estimated to be \$6.2 million.

In response to that data, the Town took several steps to control its escalating unfunded liability related to its OPEB including: (1) capping the Town’s contribution at the second most expensive plan offered by PEMHCA for newly hired members of the POA effective July 1, 2008, (2) capping the Town’s contribution at the second most expensive plan offered by PEMHCA for newly hired Members of the PCRA effective June 1, 2010, and (3) adopting the State Vesting Schedule for all employees for the purposes of determining retiree medical insurance contributions by the Town effective July 1, 2012. More recently, the City Council passed a resolution resetting the Town’s contribution for medical insurance premiums for employees and annuitants effective April 1, 2017 to the PEMHCA Minimum and funding any applicable difference between the amount provided pursuant to an MOU or policy and the PEMHCA Minimum through a Section 125 plan or an HRA.

To offset the cost of retiree medical insurance premiums for employees hired on or after January 1, 2017, the Town committed to establishing a RHSP, which it will fund at 1.5% of the employee’s base salary as set in its approved salary schedule. The employee will self-direct the investment of his/her individual account and will have access to the funds when separated from the Town whether through retirement or otherwise. Use of the funds in the RHSP account will be subject to IRS rules.

¹ Person drawing a PERS retirement warrant. Any employee who is at least 50 years of age with five years of PERS service credit can apply for retirement benefits and become an annuitant, thus eligible for the Town’s retiree health. An employee must apply for PERS retirement within 120 days of separation from service to be eligible for PEMHCA into retirement and the Town’s contribution to retiree health care.

² Other post-employment benefits (OPEB) are the benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee. Other post-employment benefits that a retiree can be compensated for and which can generate unfunded liabilities are “health and welfare” benefits such as medical, dental and vision premiums.

ANALYSIS

In order to contain medical insurance costs while fulfilling previously made commitments to current employees and annuitants, the Town passed a resolution resetting the Town's contribution for medical insurance premiums for employees and annuitants to the PEMHCA Minimum. Any additional contributions due under an MOU or policy will be funded by the Town through a Section 125 plan for employee and an HRA for annuitants. However, the Town's retiree health contribution on behalf of employees hired on or after January 1, 2017, and employees making an Irrevocable Election, will be limited to the PEMHCA Minimum (currently \$128 per month) which will be supplemented with the accrued balance in an RHSP account.

The following outlines the Town's plan to accomplish this.

- Within PEMHCA, the Town's contribution for each eligible employee or annuitant, shall be the PEMHCA Minimum.
- In addition to the PEMHCA Minimum:
 - For eligible employees, the Town will contribute any additional amount necessary to pay its obligation under the applicable MOU or Town policy, minus the PEMHCA Minimum, to employees as determined by hire date, enrollment and bargaining group via its Flexible Benefits Plan (Section 125 Cafeteria flex dollars); and
 - For eligible annuitants, the Town will contribute any additional amount necessary to pay its obligation under the applicable MOU or Town policy, minus the PEMHCA Minimum, to employees as determined by hire date, enrollment and bargaining group via its Health Reimbursement Arrangement (HRA) from which reimbursements will be made to said eligible annuitants; and
 - For employees hired on or after January 1, 2017, and employees making an Irrevocable Election, the Town will contribute 1.5% of his/her monthly base salary while employed to an account under the RHSP to be used at separation from Town employment for out-of-pocket medical expenses and individual health insurance premiums.

COUNCIL ADOPTED VALUES

The Staff recommendation is consistent with the Council adopted values of:

- *Fairness*: Make decisions based on the merits of the issue.
- *Responsibility*: Make decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the agency, especially its financial stability; and
- *Vision*: Promote intelligent and thoughtful innovation in order to forward the Town's policies and services.

ALTERNATIVES

Council could choose to reject Staff's recommendation. This would negate the negotiated cost containment measures included in the recently ratified MOUs and discussed with unrepresented employees.

CONCLUSION

Staff recommends adopting the attached resolution which authorizes the establishment of an RHSP for employees hired on or after January 1, 2017, and employees making an Irrevocable Election, to be used to reimburse out-of-pocket medical expense upon separation from Town employment.

ATTACHMENTS

- A. Resolution Adopting the VantageCare Retirement Health Savings Program, including the following exhibits:
- Exhibit A, Town of Colma's Retiree Welfare Benefits Plan
 - Exhibit B, VantageCare Retirement Health Savings Adoption Agreement
 - Exhibit C, Administrative Service Agreement
 - Exhibit D, Declaration of Trust of the Town of Colma Integral Part Trust

RESOLUTION NO. 2017-__
OF THE CITY COUNCIL OF THE TOWN OF COLMA

**RESOLUTION ESTABLISHING AND APPROVING THE VANTAGECARE
RETIREMENT HEALTH SAVINGS (RHS) PROGRAM AND APPROVING
RELATED DOCUMENTS TO IMPLEMENT THE PROGRAM**

The City Council of the Town of Colma does hereby resolve:

1. Background.

- (a) The Town of Colma has taken certain steps to address the long term financial health of the Town by controlling costs associated with retiree health benefits.
- (b) As part of that process, the Town of Colma intends to establish a retiree health savings program sponsored by ICMA/RC.
- (c) The Town of Colma has various employees who provide valuable services to the Town of Colma community.
- (d) The establishment of a retiree health savings program for such employees serves the interests of the Town by enabling it to provide reasonable security regarding employee health needs during retirement.
- (e) The establishment of a retiree health savings program also provides increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel.

2. Findings.

- (a) The City Council finds that the establishment of a retiree health savings program serves the objectives identified in Section 1 above.

3. Order.

- (a) The City Council hereby establishes the retiree health savings program by approving the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program (the "Program"), comprised of: (1) the Town of Colma's Retiree Welfare Benefits Plan (the "Plan") as shown on Exhibit "A" attached hereto and incorporated herein by reference; (2) VantageCare Retirement Health Savings Adoption Agreement as shown on Exhibit "B" attached hereto and incorporated herein by reference; and (3) the Administrative Service Agreement between ICMA Retirement Corporation and the Town of Colma as shown on Exhibit "C" attached hereto and incorporated herein by reference.
- (b) The City Council hereby orders the assets of the Plan to be held in trust, with the Town of Colma, the Employer, serving as trustee for the exclusive benefit of all Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan.

(c) The City Council directs the City Manager to execute any and all documents necessary to establish the Program, with minor changes if deemed necessary by the City Manager and City Attorney, including the Declaration of Trust of the Town of Colma Integral Part Trust in the form attached hereto as Exhibit "D" and incorporated herein by reference.

(d) The City Council also directs the City Manager to be the coordinator and contact for the Program and receive any and all reports, notices or any other documents regarding the Program.

Certification of Adoption

I certify that the foregoing Resolution No. 2017-__ was duly adopted at a regular meeting of said City Council held on March 8, 2017 by the following vote:

Name	Counted toward Quorum			Not Counted toward Quorum	
	Aye	No	Abstain	Present, Recused	Absent
Helen Fiscaro, Mayor					
Raquel Gonzalez					
Joanne del Rosario					
Diana Colvin					
John Irish Goodwin					
Voting Tally					

Dated _____

Helen Fiscaro, Mayor

Attest: _____
Caitlin Corley, City Clerk

EXHIBIT A

TOWN OF COLMA'S RETIREE WELFARE BENEFITS PLAN

[Attached behind this cover page]





Town of Colma

NAME OF EMPLOYER

RETIREE WELFARE BENEFITS PLAN



RETIREE WELFARE BENEFITS PLAN

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Town of Colma

Name of Employer

RETIREE WELFARE BENEFITS PLAN

ARTICLE I

Preamble

THIS INSTRUMENT made and published by Town of Colma (hereinafter called "Employer") on the 1st day of April, 20 17, creates the Town of Colma Retiree Welfare Benefits Plan ("Plan"), as follows:

1.01 Establishment of Plan

The Employer named above hereby establishes a Retiree Welfare Benefits Plan as of the 1st day of April, 20 17.

1.02 Purpose of Plan

This Plan has been established to reimburse the eligible Retirees of the Employer for medical and dental expenses incurred by them, their Spouses and Dependents through the Employer's VantageCare Retirement Health Savings (RHS) Program.

ARTICLE II

Definitions

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

2.01 "Benefits" means any amounts paid to a Participant, Spouse or Dependents in the Plan as reimbursement for Eligible Medical and Dental Expenses incurred by the Participant during a Plan Year by him, his Spouse or his Dependents.

2.02 "Code" means the Internal Revenue Code of 1986, as amended.

2.03 "Dependent" means any individual who is a dependent of the Participant within the meaning of Code Sec. 152, as amplified by Internal Revenue Service Notice 2004-79, 2004-49 I.R.B.898 and Internal Revenue Service Notice 2010-38.

2.04 "Eligible Medical Expenses or Dental Expenses" means those expenses designated by the Employer as eligible for reimbursement in the VantageCare Retirement Health Savings Adoption Agreement.

2.05 "Employer" means the unit of state or local government creating this Plan, or any affiliate or successor thereof that likewise adopts this Plan.

2.06 "Entry Date" means the first day the Participant meets the eligibility requirements of Article III as of such Date.

2.07 "Participant" means any Retiree who has met the eligibility requirements set forth in Article III.

2.08 "Plan Administrator" means the Employer or other person appointed by the Employer who has the authority and responsibility to manage and direct the operation and administration of the Plan.

2.09 "Plan Year" means the annual accounting period of the Plan, which begins on the 1 day of April, 20 17, and ends on the 31 day of December, 20 17, with respect to the first Plan Year, and thereafter as long as this Plan remains in effect, the period that begins on 1/1, and ends on month/day 12/31.

2.10 "Retiree" means any individual who, while in the service of the Employer, was considered to be in a legal employer-employee relationship with the Employer for federal withholding tax purposes, and who was part of the classification of employees designated as covered by the Employer's VantageCare Retirement Health Savings Program.

2.11 "Spouse" means the Participant's lawful spouse as determined under the laws of the jurisdiction in which the Participant was married. All other defined terms in this Plan shall have the meanings specified in the various Articles of the Plan in which they appear.

ARTICLE III

Eligibility

Each Retiree who meets the eligibility requirements outlined in the Employer's VantageCare Retirement Health Savings Adoption Agreement shall be eligible to participate in this Plan.

ARTICLE IV

Amount of Benefits

4.01 Annual Benefits Provided by the Plan

Each Participant shall be entitled to reimbursement for his documented, Eligible Medical Expenses incurred during the Plan Year in an annual amount not to exceed the participant's account balance under the Plan.

4.02 Cost of Coverage

The expense of providing the benefits set out in Section 4.01 shall be contributed as outlined in the Employer's VantageCare Retirement Health Savings Adoption Agreement.

ARTICLE V

Payment of Benefits

5.01 Eligibility for Benefits

- a) Each Participant in the Plan shall be entitled to a benefit hereunder for all Eligible Medical Expenses incurred by the Participant on or after the Entry Date of his or her participation (and after the effective date of the Plan), subject to the limitations contained in this Article V, regardless whether the mental or physical condition for which the Participant makes application for benefits under this Plan was detected, diagnosed, or treated before the Participant became covered by the Plan.
- b) In order to be eligible for benefits, the Participant must separate from service or separate from service and meet the benefit eligibility criteria outlined in the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.
- c) A Participant who becomes totally and permanently disabled (as defined by the Social Security Administration, by the Employer's primary retirement plan, or otherwise by the Employer) will become immediately eligible to receive medical benefit payments from the Plan. Pursuant to Section 9.02 of this Plan and Section XI of the Employer's VantageCare Retirement Health Savings Adoption Agreement, the surviving Spouse and Dependents shall become immediately eligible to receive or to continue receiving medical benefit payments from the Plan upon the death of the Participant.

5.02 Claims for Benefits

No benefit shall be paid hereunder unless a Participant, his Spouse or Dependent has first submitted a written claim for benefits to the Plan Administrator on a form specified by the Plan Administrator, and pursuant to the procedures set out in Article VI, below. Upon receipt of a properly documented claim, the Plan Administrator shall pay the Participant, his Spouse or Dependent the benefits provided under this Plan as soon as is administratively feasible.

ARTICLE VI

Plan Administration

6.01 Allocation of Authority

The Employer shall control and manage the operation and Administration of the Plan. The Employer shall have the exclusive right to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Employer with respect to any matter hereunder shall be conclusive and binding on all persons.

Without limiting the generality of the foregoing, the Employer shall have the following powers and duties:

- a) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the Plan;
- b) To determine the amount of benefits that shall be payable to any person in accordance with the provisions of the Plan; to inform the Plan Administrator, as appropriate, of the amount of such Benefits; and to provide a full and fair review to any Participant whose claim for benefits has been denied in whole or in part; and
- c) To designate other persons to carry out any duty or power which would otherwise be a fiduciary responsibility of the Plan Administrator, under the terms of the Plan.
- d) To require any person to furnish such reasonable information as it may request for the purpose of the proper administration of the Plan as a condition to receiving any benefits under the Plan;
- e) To make and enforce such rules and regulations and prescribe the use of such forms as he shall deem necessary for the efficient administration of the Plan.

6.02 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with operation of the Plan. The Plan Administrator, the Employer (and any person to whom it may delegate any duty or power in connection with the administration of the Plan), and all persons connected therewith may rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant, (including Employees who are actuaries or accountants), consultant, third party administration service provider, legal counsel, or other specialist, and they shall be fully protected in respect to any action taken or permitted in good faith in reliance thereon. All actions so taken or permitted shall be conclusive and binding as to all persons.

6.03 Several Fiduciary Liability

To the extent permitted by law, neither the Plan Administrator nor any other person shall incur any liability for any acts or for failure to act except for his own willful misconduct or willful breach of this Plan.

6.04 Compensation of Plan Administrator

Unless otherwise agreed to by the Employer, the Plan Administrator shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of his duties shall be paid by the Employer.

6.05 Bonding

Unless otherwise determined by the Employer, or unless required by any Federal or State law, the Plan Administrator shall not be required to give any bond or other security in any jurisdiction in connection with the administration of this Plan.

6.06 Payment of Administrative Expenses

All reasonable expenses incurred in administering the Plan, including but not limited to administrative fees and expenses owing to any third party administrative service provider, actuary, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration thereof, shall be paid by the Employer, provided, however that each Participant shall bear the monthly cost (if any) charged by a third party administrator for maintenance of his Benefit Account unless otherwise paid by the Employer.

6.07 Timeliness of Payment for Benefits

Payment for Benefits shall be made as soon as administratively feasible after the required forms and documentation have been received by the Plan Administrator.

6.08 Annual Statements

The Plan Administrator shall furnish each Participant with an annual statement of his medical expense reimbursement account within ninety (90) days after the close of each Plan Year.

ARTICLE VII

Claims Procedure

7.01 Procedure if Benefits are Denied Under the Plan

Any Participant, Spouse, Dependent, or his duly authorized representative may file a claim for a plan benefit to which the claimant believes that he is entitled. Such a claim must be in writing on a form provided by the Plan Administrator and delivered to the Plan Administrator, in person or by mail, postage paid. Within thirty (30) days after receipt of such claim, the Plan Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed forty-five (45) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 30-day period. If such extension is necessary due to a failure of the Participant, Spouse or Dependent to submit the information necessary to decide the claim, the notice of extension shall describe the required information and the claimant shall be afforded at least forty-five (45) days from receipt of the notice within which to provide such information. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to Sections 7.03 and 7.04.

7.02 Requirement for Written Notice of Claim Denial

The Plan Administrator shall provide, to every claimant who is denied a claim for benefits, written notice setting forth in a manner calculated to be understood by the claimant:

- a) The specific reason or reasons for the denial;
- b) Specific reference to pertinent Plan provisions, including references to the VantageCare Retirement Health Savings Adoption Agreement, on which the denial is based;
- c) A description of any additional material of information necessary for the claimant to perfect the claim and an explanation of why such material is necessary, and
- d) An explanation of the Plan's claim review procedure.

7.03 Right to Request Hearing on Benefit Denial

Within one-hundred eighty (180) days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his duly authorized representative, upon written application to the Plan Administrator, in person or by certified mail, postage prepaid, may request a review of such denial, may review pertinent documents, and may submit issues and comments in writing.

7.04 Disposition of Disputed Claims

Upon its receipt of notice of a request for review, the Plan Administrator shall make a prompt decision on the review. The decision on review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent plan provisions on which the decision is based. The decision on review shall be made not later than sixty (60) days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than one hundred-twenty (120) days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial sixty (60) day period. If notice of the decision on the review is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to legal remedy pursuant to Section 7.05.

7.05 Preservation of Other Remedies

After exhaustion of the claims procedures provided under this Plan, nothing shall prevent any person from pursuing any other legal or equitable remedy otherwise available.

ARTICLE VIII

Amendment or Termination of Plan

8.01 Permanency

While the Employer fully expects that this Plan will continue indefinitely, due to unforeseen, future business contingencies, permanency of the Plan will be subject to the Employer's right to amend or terminate the Plan, as provided in Sections 8.02 and 8.03, below.

8.02 Employer's Right to Amend

The Employer reserves the right to amend the Plan at any time and from time-to-time, and retroactively if deemed necessary or appropriate to meet the requirements of the Code, or any similar provisions of subsequent revenue or other laws, or the rules and regulations in effect under any of such laws or to conform with governmental regulations or other policies, to modify or amend in whole or in part any or all of the provisions of the Plan.

8.03 Employer's Right to Terminate

The Employer reserves the right to discontinue or terminate the Plan at any time without prejudice.

ARTICLE IX

General Provisions

9.01 No Employment Rights Conferred

Neither this Plan nor any action taken with respect to it shall confer upon any person the right to be continued in the employment of the Employer.

9.02 Payments After Death of Participant

Any benefits otherwise payable to a Participant following the date of death of such Participant shall be paid as outlined in Section XI of the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.

9.03 Nonalienation of Benefits

No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void. No benefit under the Plan shall in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit under the Plan, or if any attempt is made to subject any such benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit, except as specifically provided in the Plan, then such benefit shall cease and terminate in the discretion of the Plan Administrator, and he may hold or apply the same or any part thereof to the benefit of any dependent of such person, in such manner and proportion as he may deem proper.

9.04 Mental or Physical Incompetency

If the Plan Administrator determines that any person entitled to payments under the Plan is incompetent by reason of physical or mental disability, he may cause all payments thereafter becoming due to such person to be made to any other person for his benefit, without responsibility to follow the application of amounts so paid. Payments made pursuant to this Section shall completely discharge the Plan Administrator and the Employer.

9.05 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because he cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be escheated under the laws of the State of the last known address of the Participant or other persons eligible for benefits.

9.06 Requirement of Proper Forms

All communications in connection with the Plan made by a Participant shall become effective only when duly executed on forms provided by and filed with the Plan Administrator.

9.07 Source of Payments

The Employer shall be the sole source of benefits under the Plan. No Employee, Spouse or Dependents shall have any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee, Spouse or Dependents.

9.08 Tax Effects

Neither the Employer nor the Plan Administrator makes any warranty or other representation as to whether any payments received by a Participant, his Spouse or Dependents hereunder will be treated as includible in gross income for federal or state income tax purposes.

9.09 Multiple Functions

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 Gender and Number

Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

9.11 Headings

The Article and Section headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.

9.12 Applicable Laws

The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of _____.

9.13 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, we have executed this Plan Agreement the date and year first written above.

EMPLOYER

By: _____ Title: _____
Signature of Authorized Official

ATTEST (if applicable)

By: _____ Title: _____
Signature of Attestor

EXHIBIT B

VANTAGECARE RETIREMENT HEALTH SAVINGS ADOPTION AGREEMENT

[Attached behind this cover page]





**EMPLOYER VANTAGECARE
RETIREMENT HEALTH SAVINGS (RHS)
ADOPTION AGREEMENT**

**EMPLOYER VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PLAN
ADOPTION AGREEMENT**

Plan Number: 8 03669

Select as applicable: Standalone RHS Integrated RHS Amendment to Existing Plan New Plan (see NOTE below)

NOTE: (For existing employers only): **Check here** if you want ICMA-RC to use existing plan contact information for this new plan setup. Otherwise, if contact information has changed, please complete and return the Implementation Data Form found on pg. II:31 along with the adoption materials.

Employer Retirement Health Savings Plan Name:

I. **Employer Name:** Town of Colma State: CA

II. **The Employer hereby attests that it is a unit of a state or local government or an agency or instrumentality of one or more units of a state or local government.**

III. **Effective Date of the Plan:** 04/01/2017

IV. **The Employer intends to utilize the Trust to fund only welfare benefits pursuant to the following welfare benefit plan(s) established by the Employer:** Town of Colma Retiree Welfare Benefits Plan

V. **Eligible Groups, Participation and Participant Eligibility Requirements**

A. **Eligible Groups**

The following group or groups of Employees are eligible to participate in the VantageCare Retirement Health Savings Plan (check all applicable boxes):

- All Employees
- All Full-Time Employees
- Non-Union Employees
- Public Safety Employees – Police
- Public Safety Employees – Firefighters
- General Employees
- Collectively-Bargained Employees (Specify unit(s)) Peace Officers Association, Police Communication/Records Association
- Other (specify group(s)) Regular, Probationary & Certain Contract Employees, Elected Officials, Eligible employees hired before 1/1/2017 if they exercise one-time option waive supplemental retiree medical benefits for Annuitants and opt in

The Employee group(s) specified must correspond to a group(s) of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other documents or provisions in effect in the state or locality of the Employer.

B. **Participation** One time opt in if hired before 1/1/17; mandatory participation if hired after 1/1/17.

Mandatory Participation: All Employees in the covered group(s) are required to participate in the Plan and shall receive contributions pursuant to Section VI.

If the Employer's underlying welfare benefit plan or funding under this VantageCare Retirement Health Savings Plan is in whole or part a non-collectively bargained, self-insured plan, the nondiscrimination requirements of Internal Revenue Code (IRC) Section 105(h) will apply. These rules may impose taxation on the benefits received by highly compensated individuals if the Plan discriminates in favor of highly compensated individuals in terms of eligibility or benefits. The Employer should discuss these rules with appropriate counsel.

C. **Participant Eligibility Requirements**

1. Minimum service: The minimum period of service required for participation is N/A (write N/A if no minimum service is required).
2. Minimum age: The minimum age required for eligibility to participate is N/A (write N/A if no minimum age is required).

VI. Contribution Sources and Amounts

A. Definition of Earnings

The definition of Earnings will apply to all RHS Contribution Features that reference "Earnings", including Direct Employer Contributions (Section VI.B.1.) and Mandatory Employee Compensation Contributions (Section VI.B.2.).

Definition of earnings: Base salary is that set forth on the Town's salary schedule and it will be prorated for the initial and final months of service.

B. Direct Employer Contributions and Mandatory Contributions

1. Direct Employer Contributions

The Employer shall contribute on behalf of each Participant

- 1.5 % of Earnings
- \$ _____ each Plan Year
- A discretionary amount to be determined each Plan Year
- Other (describe): _____

2. Mandatory Employee Compensation Contributions **None.**

The Employer will make mandatory contributions of Employee compensation as follows:

- Reduction in Salary - _____ % of Earnings or \$ _____ will be contributed for the Plan Year.
- Decreased Merit or Pay Plan Adjustment - All or a portion of the Employees' annual merit or pay plan adjustment will be contributed as follows:

An Employee shall not have the right to discontinue or vary the rate of Mandatory Contributions of Employee Compensation.

3. Mandatory Employee Leave Contributions **None.**

The Employer will make mandatory contributions of accrued leave as follows (provide formula for determining Mandatory Employee Leave contributions):

- Accrued Sick Leave _____
- Accrued Vacation Leave _____
- Other (specify type of leave) Accrued _____ Leave

An Employee shall not have the right to discontinue or vary the rate of mandatory leave contributions.

C. Limits on Total Contributions (check one box)

The total contribution by the Employer on behalf of each Participant (including Direct Employer and Mandatory Employee Contributions) for each Plan Year shall not exceed the following limit(s) below. Limits on individual contribution types are defined within the appropriate section above.

- There is no Plan-defined limit on the percentage or dollar amount of earnings that may be contributed.
- 1.5 _____ % of earnings*
- *Definition of earnings: Same as Section VI.A. Other
- \$ _____ for the Plan year.

See Section V.B. for a discussion of nondiscrimination rules that may apply to non-collectively bargained self-insured Plans.

VII. Vesting for Direct Employer Contributions

A. Vesting Schedule (check one box)

- The account is 100% vested at all times.
- The following vesting schedule shall apply to Direct Employer Contributions as outlined in Section VI.B.1.:

Years of Service Completed	Vesting Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

B. The account will become 100% vested upon the death, disability, retirement*, or attainment of benefit eligibility (as outlined in Section IX) by a Participant.

*Definition of retirement includes a separation from service component and is further defined by (check one):

- The primary retirement plan of the Employer
- Separation from service
- Other Separation from service, even if not retired from CalPERS

C. Any period of service by a Participant prior to a rehire of the Participant by the Employer shall not count toward the vesting schedule outlined in A above.

VIII. Forfeiture Provisions

Upon separation from the service of the Employer prior to attainment of benefit eligibility (as outlined in Section IX), or upon reversion to the Trust of a Participant's account assets remaining upon the participant's death (as outlined in Section XI), a Participant's non-vested funds shall (check one box):

- Remain in the Trust to be reallocated among all Plan Participants with a balance as Direct Employer Contributions for the next and succeeding contribution cycle(s).*
- Remain in the Trust to be reallocated on an equal dollar basis among all Plan Participants with a balance.*
- Remain in the Trust to be reallocated among all Plan Participants based upon Participant account balances.*
- Revert to the Employer via check.

** If the forfeited balance is small whereby the reallocation amount to each Plan Participant with a balance is minimal, the assets will revert to employer's forfeiture account for further direction from the employer. If there are participants without a balance who should receive forfeiture assets, please provide alternative instructions to ICMA-RC on the forfeiture reallocation notice.*

IX. Eligibility Requirements to Receive Medical Benefit Payments from the VantageCare Retirement Health Savings Plan

A. A Participant is eligible to receive benefits:

- At retirement only (also complete Section B.)
Definition of retirement:

Same as Section VII.B.

Other _____

- At separation from service with the following restrictions

No restrictions

Other _____

B. Termination prior to general benefit eligibility: In case where the general benefit eligibility as outlined in Section IX.A includes a retirement component, a Participant who separates from service of the Employer prior to retirement will be eligible to receive benefits:

Immediately upon separation from service

Other _____

C. A Participant that becomes totally and permanently disabled

as defined by the Social Security Administration

as defined by the Employer's primary retirement plan

other _____

will become immediately eligible to receive medical benefit payments from his/her VantageCare Retirement Health Savings Plan account.

D. Upon the death of the Participant, benefits shall become payable as outlined in Section XI.

X. Permissible Medical Benefit Payments

Benefits eligible for reimbursement consist of:

All Medical Expenses eligible under IRC Section 213* other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin).

The following Medical Expenses eligible under IRC Section 213* other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin). Select only the expenses you wish to cover under the VantageCare Retirement Health Savings Plan:

Medical Insurance Premiums

Medical Out-of-Pocket Expenses*

Medicare Part B Insurance Premiums

Medicare Part D Insurance Premiums

- Medicare Supplemental Insurance Premiums
- Prescription Drug Insurance Premiums
- COBRA Insurance Premiums
- Dental Insurance Premiums
- Dental Out-of-Pocket Expenses*
- Vision Insurance Premiums
- Vision Out-of-Pocket Expenses*
- Qualified Long-Term Care Insurance Premiums
- Non-Prescription medications allowed under IRS guidance*
- Other qualifying medical expenses (describe)*

* See Section V.A. for a discussion of nondiscrimination rules which may apply to non-collectively bargained, self-insured Plans.

XI. Benefits After the Death of the Participant

In the event of a Participant's death, the following shall apply:

A. Surviving Spouse and/or Surviving Dependents

The surviving spouse and/or surviving eligible dependents (as defined in Section XII.D.) of the deceased Participant are immediately eligible to maintain the account and utilize it to fund eligible medical benefits specified in Section X above.

Upon notification of a Participant's death, the Participant's account balance will be transferred into Dreyfus Cash Management fund* (or another fund selected by the Employer). The account balance may be reallocated by the surviving spouse or dependents.

**An investment in the Dreyfus Cash Management money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Investors should consider the investment objectives, risks, charges, and expenses of the fund carefully before investing. You may visit us at www.icmarc.org or call 800-669-7400 to obtain a prospectus that contains this and other information about the fund. Read the prospectus carefully before investing.*

If a Participant's account balance has not been fully utilized upon the death of the eligible spouse, the account balance may continue to be utilized to pay benefits of eligible dependents. Upon the death of all eligible dependents, the account will revert to the Plan to be applied as specified in Section VIII.

B. No Surviving Spouse or Surviving Dependents

If there are no living spouse or dependents at the time of death of the Participant, the account will revert to the Plan to be applied as specified in Section VIII.

XII. The Plan will operate according to the following provisions:

A. Employer Responsibilities

1. The Employer will submit all VantageCare Retirement Health Savings Plan contribution data via electronic submission.
2. The Employer will submit all VantageCare Retirement Health Savings Plan Participant status updates or personal information updates via electronic submission. This includes but is not limited to termination notification and benefit eligibility notification.

- ### **B. Participant account administration and asset-based fees will be paid through the redemption of Participant account shares, unless agreed upon otherwise in the Administrative Services Agreement.**

- C. Assignment of benefits is not permitted. Benefits will be paid only to the Participant, his/her Survivors, the Employer, or an insurance provider (as allowed by the claims administrator). Payments to a third-party payee (e.g., medical service provider) are not permitted with the exception of reimbursement to the Employer or insurance provider (as allowed by the claims administrator).
- D. An eligible dependent is (a) the Participant's lawful spouse, (b) the Participant's child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.
- E. The Employer will be responsible for withholding, reporting and remitting any applicable taxes for payments which are deemed to be discriminatory under IRC Section 105(h), as outlined in the VantageCare Retirement Health Savings Plan Employer Manual.

XIII. Employer Acknowledgements

- A. The Employer hereby acknowledges it understands that failure to properly fill out this Employer VantageCare Retirement Health Savings Plan Adoption Agreement may result in the loss of tax exemption of the Trust and/or loss of tax-deferred status for Employer contributions.
- B. Check this box if you are including supporting documents that include plan provisions.

EMPLOYER SIGNATURE

By: _____

Date: _____

Title: _____

Attest: _____

Date: _____

Title: _____

EXHIBIT C

**ADMINISTRATIVE SERVICE AGREEMENT BETWEEN ICMA RETIREMENT
CORPORATION AND THE TOWN OF COLMA**

[Attached behind this cover page]

ADMINISTRATIVE SERVICES AGREEMENT

Between

ICMA Retirement Corporation

and

Town of Colma

Type: VantageCare RHS

Account Number: 803669

AGREEMENTS

1. Acceptance of RHS Program

Employer agrees to make the RHS Program provided by ICMA-RC available to its employees. The details of the RHS Program shall be as mutually agreed between the Employer and ICMA-RC, and in general shall be as set forth in the RHS Program materials developed by ICMA-RC and provided to Employer. The RHS Program materials are hereby incorporated by reference and made a part of this Agreement, except that Employer and ICMA-RC may from time to time mutually agree in writing to terms that vary from the RHS Program materials. RHS Program materials shall include the *VantageCare RHS Employer Manual*, available electronically through the EZ Link System upon adoption of the RHS Program.

The functions to be performed by ICMA-RC and its agents include:

- (a) allocation in accordance with participant direction of individual accounts to investment funds ("Funds") made available to Plan participants;
- (b) maintenance of individual accounts for participants reflecting amounts contributed, income, gain, or loss credited, and amounts disbursed as benefits;
- (c) provision of periodic reports to the Employer and participants of the status of Plan investments and individual accounts;
- (d) communication to participants of information regarding their rights and elections under the Plan;
- (e) disbursement of benefits as agent for the Employer in accordance with terms of the Plan; and
- (f) performance of tax withholding and reporting in conjunction with the Employer for each RHS account.

2. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities with respect to the Plan, including information needed to allocate individual participant accounts to Funds, and information as to the benefit eligibility and employment status of participants, and participants' ages, addresses, dependents, spouses and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant, spouse or dependent that is furnished by such participant, spouse or dependent, and ICMA-RC

Reimbursement Arrangement, subject to applicable provisions of the Affordable Care Act ("ACA"). An employer sponsoring the Plan is responsible for complying with the HIPAA privacy and security rules with respect to all protected health information created, maintained, received, or transmitted in relation to the Plan and is responsible for complying with the ACA.

- (f) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.
- (g) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan's investment options. Employer shall have exclusive responsibility for the selection and retention of the Plan's investment options, including the selection of the applicable mutual fund share class.
- (h) Employer confirms that it has executed a Participation Agreement for VantageTrust II and acknowledges that it has received the Disclosure Materials.

5. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings regarding the Plan involving the garnishment of benefits or the transfer of benefits pursuant to a medical child support order. Unless Employer notifies ICMA-RC otherwise, Employer authorizes ICMA-RC to determine whether disbursement of benefits to a spouse or child pursuant to a medical child support order is appropriate.

6. Compensation and Payment

Absent an explicit agreement to the contrary between ICMA-RC and Employer, participant fees and expenses shall be payable from RHS assets, in accordance with the requirements of the RHS Program as set forth below.

- (a) Asset-based fees will be included in the daily unit value of each VT II Fund, and no separate asset-based fees will be assessed
- (b) A \$ 25 annual account administration fee will be charged quarterly to each Accountholder's account.
- (c) The account administration fee is subject to change with appropriate prior notification.
- (d) **Compensation for Advisory and other Services to The Vantagepoint Funds.**

11 Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) The parties agree that only an adjustment to compensation or administrative and operational services under this Agreement may be implemented by ICMA-RC through a proposal to the Employer via correspondence or the Employer Bulletin. The Employer will be given at least 60 days to review the proposal before the effective date of the adjustment. Such adjustment shall become effective unless, within the 60-day period, the Employer notifies ICMA-RC in writing that it does not accept such adjustment, in which event the parties will negotiate with respect to the adjustment.
- (c) No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver of such right, remedy, power or privilege.

12. Notices

All notices required to be delivered under this Agreement shall be delivered electronically, personally or by registered or certified mail, postage prepaid, return receipt requested, to (i) Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C, 20002-4240; (ii) Employer at the office set forth in the first paragraph hereof, or to any other address designated by the party to receive the same by written notice similarly given.

13 Complete Agreement

This Agreement, with an executed Business Associate Agreement, shall constitute the sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State/Commonwealth of California applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions.

Exhibit A

RHS HIPAA BUSINESS ASSOCIATE AGREEMENT FOR 803669

This Business Associate Agreement ("BA Agreement") supplements and is made part of the Administrative Services Agreement entered into between Town of Colma RHS ("Covered Entity") and ICMA-RC ("Business Associate") on 4/1/2017, and is effective as of the effective date of the Administrative Services Agreement (the "Effective Date").

RECITALS

Covered Entity is a group health plan that reimburses medical expenses for eligible participants, their spouses, and their dependents. Under the Health Information Portability and Accountability Act of 1996 ("HIPAA"), Covered Entity is required to enter into this BA Agreement to obtain satisfactory assurances that Business Associate will appropriately safeguard all Protected Health Information ("PHI"), as defined herein, that is created, maintained, received, or transmitted by Business Associate on behalf of Covered Entity.

Business Associate is a record keeper providing administrative services to Covered Entity. In general, Business Associate will not have access to information that would traditionally be considered PHI because participant medical information used to substantiate reimbursements is sent directly to and reviewed by a third-party claims processor. The third-party claims processor has agreed to protect PHI that it creates, maintains, receives, or transmits in a manner that is consistent with and as stringent as the terms agreed to by Business Associate under this BA Agreement with respect to information that could be considered PHI. Business Associate has access to information that might be interpreted as PHI, including an individual's participation in the plan, reimbursement amounts, and the timing of reimbursements.

In consideration of the mutual promises below and the exchange of information pursuant to this BA Agreement and in order to comply with all legal requirements for the protection of this information, Covered Entity and Business Associate agree as follows:

1. DEFINITIONS

- a. The following terms used in this BA Agreement shall have the same meaning as those terms are defined in the HIPAA Rules: Breach, Data Aggregations, Designated Record Set, Disclosure, Health Care Operations, Minimum Necessary, Notice of Privacy Practices, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. "Administrative Services Agreement" refers to a separate agreement outlining the services ICMA-RC will provide to Covered Entity and the terms and conditions governing the provision of such services. The Administrative Services Agreement is made between ICMA-RC and Town of Colma RHS or its sponsor, acting on behalf of Town of Colma RHS.

Covered Entity, or as Directed by Covered Entity, to an individual, so that Covered Entity may meet its access obligations under 45 CFR § 164.524.

- f. Make any amendment(s) to PHI in a Designated Record Set in Business Associate's custody or control as directed in writing by the Covered Entity pursuant to 45 CFR 164.526 no later than 60 days after receipt of such request, so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.
- g. Maintain and make available the information required to provide an accounting of Disclosures to the Covered Entity as requested by Covered Entity in writing and as necessary to satisfy the Covered Entity's obligations under 45 CFR 164.528.
- h. Make its internal practices, books, and records, available to the Secretary for purposes of determining compliance with the HIPAA Rules.
- i. Not directly or indirectly receive remuneration in exchange of PHI.
- j. Comply with the administrative simplification rules applicable to standard transactions, if Business Associate conducts such transactions under the electronic data interchange rules on behalf of Covered Entity.
- k. To the extent the parties agree that Business Associate will carry out directly one or more of Covered Entity's obligations under the Privacy Rule, the Business Associate will comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.

3. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

- a. Business Associate may only Use or Disclose PHI as necessary to perform the services set forth in the Administrative Services Agreement and as permitted by this BA Agreement.
- b. Business Associate may Use or Disclose PHI as required by law or to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(i).
- c. Except as otherwise limited by this BA Agreement, Business Associate agrees to make Uses and Disclosures and requests for PHI consistent with the Covered Entity's Minimum Necessary policies and procedures when such are provided by the Covered Entity to Business Associate.
- d. Business Associate is authorized to de-identify information in accordance with 45 CFR 164.514(a)-(c).
- e. Business Associate may not Use or Disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth below.

- c. Upon termination of this BA Agreement for any reason, Business Associate, with respect to PHI Received from Covered Entity, or created, maintained, or received from Business Associate on behalf of Covered Entity, shall:
 - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - ii. Return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining PHI that the Business Associate still maintains in any form;
 - iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent Use or Disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains PHI;
 - iv. Not Use or Disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Paragraph 3(f);
 - v. Return to Covered Entity or, if agreed to Covered Entity, destroy the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities;
 - vi. Notwithstanding any other provision of this BA Agreement, upon termination, Business Associate may also transmit PHI to another Business Associate of the Covered Entity upon the written request of the Covered Entity.
- d. The obligations of Business Associate under Section 5, Term and Termination, shall survive the termination of this BA Agreement.

6. GENERAL PROVISIONS

- a. A reference in this BA Agreement to a section in the HIPAA Rules means the section as in effect or amended.
- b. The parties agree to take such action as is necessary to amend this BA Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable laws.
- c. Any ambiguity in this BA Agreement shall be interpreted to permit compliance with the HIPAA rules.
- d. Nothing in this BA Agreement shall be construed as creating any rights or benefits to any third parties.
- e. The invalidity and unenforceability of any provision of this BA Agreement shall not affect the enforceability of any other provision of this BA Agreement or the Administrative Services Agreement, which shall remain in full force and effect.

EXHIBIT D

DECLARATION OF TRUST OF THE TOWN OF COLMA INTEGRAL PART TRUST

[Attached behind this cover page]



DECLARATION OF TRUST OF THE

Town of Colma

NAME OF EMPLOYER

INTEGRAL PART TRUST

DECLARATION OF TRUST OF THE

(NAME OF EMPLOYER)

INTEGRAL PART TRUST

Declaration of Trust made as of the _____ day of _____, 20____, by and between
the _____, _____ a _____
(Name of Employer) (State) (Type of Entity)
(hereinafter referred to as the "Employer") and _____ or its designee (hereinafter referred to as the "Trustee").
(Name or Title of Trustee)

RECITALS

WHEREAS, the Employer is a political subdivision of the State of _____ exempt from
(State)
federal income tax under the Internal Revenue Code of 1986; and

WHEREAS, the Employer provides for the security and welfare of its eligible employees (hereinafter referred to as
"Participants"), their Spouses and Dependents by the maintenance of one or more post-retirement welfare benefit plans,
programs or arrangements which provide for life, sickness, medical, disability, severance and other similar benefits through
insurance and self-funded reimbursement plans (collectively the "Plan"); and

WHEREAS, it is an essential function and integral part of the exempt activities of the Employer to assist Participants,
their Spouses and Dependents by making contributions to and accumulating assets in the trust, a segregated fund, for post-
retirement welfare benefits under the Plan; and

WHEREAS, the authority to conduct the general operation and administration of the Plan is vested in the Employer or its designee,
who has the authority and shall be subject to the duties with respect to the trust specified in this sample Declaration of Trust; and

WHEREAS, the Employer wishes to establish this trust to hold assets and income of the Plan for the exclusive benefit of Plan
Participants, their Spouses and Dependents;

NOW, THEREFORE, the parties hereto do hereby establish this trust, by executing the sample

Declaration of Trust of the _____ Integral Part Trust (hereinafter referred
(Name of Employer)
to as the "Trust"), and agree that the following constitute the sample Declaration of Trust (hereinafter referred to as the
"Declaration"):

ARTICLE I

Definitions

1.1 Definitions. For the purposes of this Declaration, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

- (a) **“Account”** means the individual recordkeeping account maintained under the Plan to record the interest of a Participant in the Plan in accordance with Section 7.3.
- (b) **“Administrator”** means the Employer or the entity designated by the Employer to carry out administrative services as are necessary to implement the Plan.
- (c) **“Beneficiary”** means the Spouse and Dependents, who will receive any benefits payable hereunder in the event of the Participant’s death. In the case where there is no Spouse or Dependents, any amount of contributions, plus accrued earnings thereon, remaining in the Account must revert in accordance with the Employer’s election under Section VIII of the VantageCare RHS Adoption Agreement.
- (d) **“Code”** means the Internal Revenue Code of 1986, as amended from time to time.
- (e) **“Dependent”** means (a) the Participant’s lawful spouse, (b) the Participant’s child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.
- (f) **“Investment Fund”** means any separate investment option or vehicle selected by the Employer in which all or a portion of the Trust assets may be separately invested as herein provided. The Trustee shall not be required to select any Investment Fund.
- (g) **“Nonforfeitable Interest”** means the interest of the Participant or the Participant’s Spouse and Dependent (whichever is applicable) in the percentage of Participant’s Employer’s contribution which has vested pursuant to the vesting schedule specified in the Employer’s Plan. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in the Participant’s own contributions.
- (h) **“Spouse”** means the Participant’s lawful spouse as determined under the laws of the jurisdiction in which the Participant was married.
- (i) **“Trust”** means the trust established by this Declaration.
- (j) **“Trustee”** means the Employer or the person or persons appointed by the Employer to serve in that capacity.

ARTICLE II

Establishment of Trust

2.1 The Trust is hereby established as of the date set forth above for the exclusive benefit of Participants, their Spouses and Dependents.

ARTICLE III

Construction

- 3.1 This Trust and its validity, construction and effect shall be governed by the laws of the State of _____.
- 3.2 Pronouns and other similar words used herein in the masculine gender shall be read as the feminine gender where appropriate, and the singular form of words shall be read as the plural where appropriate.
- 3.3 If any provision of this Trust shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this Trust.

ARTICLE IV

Benefits

- 4.1 **Benefits.** This Trust may provide benefits to the Participant, the Participant's Spouse and Dependents pursuant to the terms of the Plan.
- 4.2 **Form of Benefits.** This Trust may reimburse the Participant, his Spouse and Dependents for insurance premiums or other payments expended for permissible benefits described under the Plan. This trust may reimburse the Employer, or the Administrator for insurance premiums.

ARTICLE V

General Duties

- 5.1 It shall be the duty of the Trustee to hold title to assets held in respect of the Plan in the Trustee's name as directed by the Employer or its designees in writing. The Trustee shall not be under any duty to compute the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to be held in trust under the Plan. The Trustee shall not be responsible for the custody, investment, safekeeping or disposition of any assets comprising the Trust, to the extent such functions are performed by the Employer or the Administrator, or both.
- 5.2 It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Administrator or other person designated hereunder from time to time the Employer's contributions and Participants' contributions under the Plan and to inform the Trustee in writing as to the identity and value of the assets titled in the Trustee's name hereunder and to keep accurate books and records with respect to the Participants of the Plan.

ARTICLE VI

Investments

- 6.1 The Employer may appoint one or more investment managers to manage and control all or part of the assets of the Trust and the Employer shall notify the Trustee in writing of any such appointment.
- 6.2 The Trustee shall not have any discretion or authority with regard to the investment of the Trust and shall act solely as a directed Trustee of the assets of which it holds title. To the extent directed by the Employer (or Participants or their Spouses and Dependents to the extent provided herein) the Trustee is authorized and empowered with the following powers, rights and duties, each of which the Trustee shall exercise in a nondiscretionary manner:
 - (a) To cause stocks, bonds, securities, or other investments to be registered in its name as Trustee or in the name of a nominee, or to take and keep the same unregistered;

- (b) To employ such agents and legal counsel as it deems advisable or proper in connection with its duties and to pay such agents and legal counsel a reasonable fee. The Trustee shall not be liable for the acts of such agents and counsel or for the acts done in good faith and in reliance upon the advice of such agents and legal counsel, provided it has used reasonable care in selecting such agents and legal counsel;
 - (c) To exercise where applicable and appropriate any rights of ownership in any contracts of insurance in which any part of the Trust may be invested and to pay the premiums thereon; and
 - (d) At the direction of the Employer (or Participants, their Spouses, their Dependents, or the investment manager, as the case may be) to sell, write options on, convey or transfer, invest and reinvest any part thereof in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing and wherever situated, including but not limited to, time deposits (including time deposits in the Trustee or its affiliates, or any successor thereto, if the deposits bear a reasonable rate of interest), shares of common and preferred stock, mortgages, bonds, leases, notes, debentures, equipment or collateral trust certificates, rights, warrants, convertible or exchangeable securities and other corporate, individual or government securities or obligations, annuity, retirement or other insurance contracts, mutual funds (including funds for which the Trustee or its affiliates serve as investment advisor, custodian or in a similar or related capacity), or in units of any other common, collective or commingled trust fund.
- 6.3 Notwithstanding anything to the contrary herein, the assets of the Plan shall be held by the Trustee as title holder only. Persons holding custody or possession of assets titled to the Trust shall include the Employer, the Administrator, the investment manager, and any agents and subagents, but not the Trustee. The Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any direction from the Employer, the Administrator, the investment manager, or such agents to take title to any assets nor shall the Trustee be responsible or liable for any loss or expense which may result from the Trustee's refusal or failure to comply with any direction to hold title, except if the same shall involve or result from the Trustee's negligence or intentional misconduct. The Trustee may refuse to comply with any direction from the Employer, the Administrator, the investment manager, or such agents in the event that the Trustee, in its sole and absolute discretion, deems such direction illegal.
- 6.4 The Employer hereby indemnifies and holds the Trustee harmless from any and all actions, claims, demands, liabilities, losses, damages or reasonable expenses of whatsoever kind and nature in connection with or arising out of (i) any action taken or omitted in good faith by the Trustee in accordance with the directions of the Employer or its agents and subagents hereunder, or (ii) any disbursements of any part of the Trust made by the Trustee in accordance with the directions of the Employer, or (iii) any action taken by or omitted in good faith by the Trustee with respect to an investment managed by an investment manager in accordance with any direction of the investment manager or any inaction with respect to any such investment in the absence of directions from the investment manager. Notwithstanding anything to the contrary herein, the Employer shall have no responsibility to the Trustee under the foregoing indemnification if the Trustee fails negligently, intentionally or recklessly to perform any of the duties undertaken by it under the provisions of this Trust.
- 6.5 Notwithstanding anything to the contrary herein, the Employer or, if so designated by the Employer, the Administrator and the investment manager or another agent of the Employer, will be responsible for valuing all assets so acquired for all purposes of the Trust and of holding, investing, trading and disposing of the same. The Employer will indemnify and hold the Trustee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which arise from or are related to any use of such valuation by the Trustee or holding, trading, or disposition of such assets.
- 6.6 The Trustee shall and hereby does indemnify and hold harmless the Employer from any and all actions, claims, demands, liabilities, losses, damages and reasonable expenses of whatsoever kind and nature in connection with or arising out of (a) the Trustee's failure to follow the directions of the Employer, the Administrator, the investment manager, or agents thereof, except as permitted by the last sentence of Section 6.3 above; (b) any disbursements made without the direction of the Employer, the Administrator, the investment manager or agents thereof; and (c) the Trustee's negligence, willful misconduct, or recklessness with respect to the Trustee's duties under this Declaration.

ARTICLE VII

Contributions

- 7.1 **Employer Contributions.** The Employer shall contribute to the Trust such amounts as specified in the Plan or by resolution.
- 7.2 **Accrued Leave.** Contributions up to an amount equal to the value of accrued sick leave, vacation leave, or other type of accrued leave, as permitted under the Plan. The Employer's Plan must provide a formula for determining the value of the Participant's contribution of accrued leave. The Employer's Plan must contain a forfeiture provision that will prevent Participants from receiving the accrued leave in cash in lieu of a contribution to the Trust.
- 7.3 **Accounts.** Employer contributions, including mandatory Participant contributions, and contributions of accrued leave, all investment income and realized and unrealized gains and losses, and forfeitures allocable thereto will be deposited into an Account in the name of the Participant for the exclusive benefit of the Participant, his Spouse and Dependents. The assets in each Participant's Account may be invested in Investment Funds as directed by the Participant (or, after the Participant's death, by the Spouse or Dependents) or the Employer, as required under the Plan, from among the Investment Funds selected by the Employer.
- 7.4 **Receipt of Contributions.** The Employer or, if so designated by the Employer, the Administrator or investment manager or another agent of the Employer, shall receive all contributions paid or delivered to it hereunder and shall hold, invest, reinvest and administer such contributions pursuant to this Declaration, without distinction between principal and income. The Trustee shall not be responsible for the calculation or collection of any contribution under the Plan, but shall hold title to property received in respect of the Plan in the Trustee's name as directed by the Employer or its designee pursuant to this Declaration.
- 7.5 No amount in any Account maintained under this Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Employer, the Trustee, any Participant, his Spouse, or Dependent.
- 7.6 Upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE VIII

Other Plans

If the Employer hereafter adopts one or more other plans providing life, sickness, accident, medical, disability, severance, or other benefits and designates the Trust hereby created as part of such other plan, the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer shall, subject to the terms of this Declaration, accept and hold hereunder contributions to such other plans. In that event (a) the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, may commingle for investment purposes the contributions received under such other plan or plans with the contributions previously received by the Trust, but the books and records of the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, shall at all times show the portion of the Trust Fund allocable to each plan; (b) the term "Plan" as used herein shall be deemed to refer separately to each other plan; and (c) the term "Employer" as used herein shall be deemed to refer to the person or group of persons which have been designated by the terms of such other plans as having the authority to control and manage the operation and administration of such other plan.

ARTICLE IX

Disbursements and Expenses

- 9.1 The Employer or its designee shall make such payments from the Trust at such time to such persons and in such amounts as shall be authorized by the provisions of the Plan provided, however, that no payment shall be made, either during the existence of or upon the discontinuance of the Plan (subject to Section 7.6), which would cause any part of the Trust to be used for or diverted to purposes other than the exclusive benefit of the Participants, their Spouses and Dependents pursuant to the provisions of the Plan.
- 9.2 All payments of benefits under the Plan shall be made exclusively from the assets of the Accounts of the Participants to whom or to whose Spouse or Dependents such payments are to be made, and no person shall be entitled to look to any other source for such payments.
- 9.3 The Employer, Trustee and Administrator may be reimbursed for expenses reasonably incurred by them in the administration of the Trust. All such expenses, including, without limitation, reasonable fees of accountants and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the Trust upon the direction of the Employer.

ARTICLE X

Accounting

- 10.1 The Trustee shall not be required to keep accounts of the investments, receipts, disbursements, and other transactions of the Trust, except as necessary to perform its title-holding function hereunder. All accounts, books, and records relating thereto shall be maintained by the Employer or its designee.
- 10.2 As promptly as possible following the close of each year, the Trustee shall file with the Employer a written account setting forth assets titled to the Trust as reported to the Trustee by the Employer or its designee.

ARTICLE XI

Miscellaneous Provisions

- 11.1 Neither the Trustee nor any affiliate thereof shall be required to give any bond or to qualify before, be appointed by, or account to any court of law in the exercise of its powers hereunder.
- 11.2 No person transferring title or receiving a transfer of title from the Trustee shall be obligated to look to the propriety of the acts of the Trustee in connection therewith.
- 11.3 The Employer may engage the Trustee as its agent in the performance of any duties required of the Employer under the Plan, but such agency shall not be deemed to increase the responsibility or liability of the Trustee under this Declaration.
- 11.4 The Employer shall have the right at all reasonable times during the term of this Declaration and for three (3) years after the termination of this Declaration to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of the Trustee relating to this Declaration and the Trustees' performance hereunder.

ARTICLE XII

Amendment and Termination

- 12.1 The Employer reserves the right to alter, amend, or (subject to Section 9.1) terminate this Declaration at any time for any reason without the consent of the Trustee or any other person, provided that no amendment affecting the rights, duties, or responsibilities of the Trustee shall be adopted without the execution of the Trustee to the amendment. Any such amendment shall become effective as of the date provided in the amendment, if requiring the Trustee's execution, or on delivery of the amendment to the Trustee, if the Trustee's execution is not required.
- 12.2 Upon termination of this Declaration and upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE XIII

Successor Trustees

- 13.1 The Employer reserves the right to discharge the Trustee for any or no reason, at any time by giving ninety (90) days' advance written notice.
- 13.2 The Trustee reserves the right to resign at any time by giving ninety (90) days' advance written notice to the Employer.
- 13.3 In the event of discharge or resignation of the Trustee, the Employer may appoint a successor Trustee who shall succeed to all rights, duties, and responsibilities of the former Trustee under this Declaration, and the terminated Trustee shall be deemed discharged of all duties under this Declaration and responsibilities for the Trust.

ARTICLE XIV

Limited Effect of Plan and Trust

Neither the establishment of the Plan and the Trust or any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against the Trustee, the Administrator, the Employer or any officer or employee thereof, except as may otherwise be expressly provided in the Plan or in this Declaration.

ARTICLE XV

Protective Clause

Neither the Administrator, the Employer, nor the Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

IN WITNESS WHEREOF, the Employer and the Trustee have executed this Declaration by their respective duly authorized officers, as of the date first hereinabove mentioned.

EMPLOYER:

By: _____ Title: _____

TRUSTEE(S):

By: _____ Title: _____

By: _____ Title: _____

By: _____ Title: _____





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Michael P. Laughlin, City Planner
 Christopher J. Diaz, City Attorney
 VIA: Sean Rabé, City Manager
 MEETING DATE: March 8, 2017
 SUBJECT: Accessory Dwelling Unit Ordinance

RECOMMENDATION

Staff recommends that the City Council introduce the following ordinance:

AN ORDINANCE AMENDING VARIOUS PROVISIONS IN CHAPTER 5 AND ADDING SUBCHAPTER 5.19 TO THE COLMA MUNICIPAL CODE REGARDING ACCESSORY DWELLING UNIT REGULATIONS AND FINDING THE ORDINANCE TO BE STATUTORILY EXEMPT FROM ENVIRONMENTAL REVIEW PURSUANT TO PUBLIC RESOURCES CODE SECTION 21080.17, AND WAIVE A FURTHER READING OF THE ORDINANCE

EXECUTIVE SUMMARY

New state laws relating to Accessory Dwelling Units (ADU's), Senate Bill 1069 and Assembly Bill 2299, became effective on January 1, 2017. The bills were enacted to require jurisdictions in California to ease restrictions on additional units in single-family residential neighborhoods in order to increase the supply of housing in California. The proposed amendments are mandatory, and where a local ordinance has not been updated, the state law takes precedence. The Town's current regulations only allow ADU's in the R zone. The attached ordinance amends the Town's existing requirements and continues the allowance of ADU's in the R zone and clarifies that new ADU's are permitted on lots developed with existing single-family residences in the C (commercial) and G (cemetery) zones with expedited processing at a staff level (ministerial). In addition, state law mandates that ADU's meeting certain conditions be allowed within the footprint of an existing single-family residence. Thus, the ordinance also allows ADU's within the footprint of an existing single-family residence located with the R-S and R zone with a building permit as required by state law.

FISCAL IMPACT

The proposed ordinance may have a very minor fiscal impact on the Town because of services required for new residents if additional units are created as a result of the ordinance. Given that Colma is largely built-out, the number of potential units is anticipated to be small.

BACKGROUND AND ANALYSIS

The Town allows for single-family residences in the following zones:

- R-S (Residential, Sterling Park) This is the residential neighborhood between El Camino Real and Hillside Boulevard and between F Street and B Street. The neighborhood contains a majority of single-family homes but also includes some multi-unit buildings that pre date the zoning. Many of the lots are about 3,300 square feet.
- R (Residential) This zone includes a limited number of residences on Hillside Boulevard south of Lawndale Boulevard.
- G (Cemetery). These units are in the form of caretaker units. There are several of these located on cemetery grounds.
- C (Commercial). The Town's commercial zoning allows for single-family residences in commercial zones and where allowed by the General Plan. Multi-family is also allowed in these limited areas. The location of these existing single family residences includes Mission Road and Hillside Boulevard.

The Town's General Plan, Zoning Ordinance, and Housing Element encourage the creation of affordable housing through a variety of mechanisms including the allowance of second units (now referred to as Accessory Dwelling Units or ADU's) in specified zones within the Town. Specifically, second units are permitted in the Residential "R" zone which is located on Hillside Boulevard south of Lawndale Boulevard. New ADU's are currently not permitted in the Sterling Park, "R-S" zone since this is a high density single-family residential neighborhood.

Since the adoption of the Town of Colma Housing Element in 2015, and due to the strong economy, California continues to experience a shortage of housing. In response, the state of California has recently passed legislation regarding ADU's. These changes to the California Government Code, which became effective on January 1, 2017, require that the Town update the Municipal Code (CMC) to be consistent with state law.

The proposed ordinance takes the existing requirements in the general zoning section of the CMC and creates a separate chapter for ease of reference.

Some of the most substantive changes to the State's Code have implications for building, fire and utilities that are not necessarily reflected in the updated zoning code but will be addressed by the applicable departments at the time of building permit. Some of these changes are summarized below:

- ADU's shall not be required to provide fire sprinklers if they are not required for the primary residence.
- ADU shall not be considered new residential uses for the purposes of calculating local agency connection fees or capacity charges for utilities, including water and sewer service.

- For ADU's created within an existing structure, a local agency shall not require the applicant to install a new or separate utility connection directly between the ADU and the utility or impose a related connection fee or capacity charge.
- For ADU's created through the addition of new floor area, a local agency may require a new or separate utility connection directly between the ADU and the utility.

The attached ordinance addresses two facets of the requirements as discussed below:

Existing Single-Family Residences within single family residential zones (R and R-S zones)

The new legislation requires that an ADU be permitted within the footprint of an existing single family structure located within a single-family residential zone. For these situations, the following rules would apply:

- One unit must be owner occupied and a deed restriction recorded;
- Is not required to install a new or separate utility connection directly between the accessory dwelling unit and the utility, or to be charged a related connection fee or capacity charge;
- Shall provide replacement off-street parking spaces to serve the primary residence if the proposed accessory dwelling unit would result from the conversion of an existing garage, carport or other covered parking structure. However, the applicant is not required to provide off-street parking to serve the accessory dwelling unit. The replacement parking spaces may be located in any configuration on the lot and may be provided as covered spaces, uncovered spaces or tandem spaces or by the use of mechanical automobile parking lifts.

The primary concern which arises from this provision allowing for garage conversions is the impact on parking, particularly in the Sterling Park neighborhood. As noted above, state law specifies that additional covered or uncovered parking cannot be required for a new ADU within the footprint of an existing single family residence. Nevertheless, the Town still has a parking requirement that must be maintained for all single family residences as outlined in CMC 5.03.260. In particular, for all single family residences built prior to March 1, 1988, one covered space is required to be maintained for all single family dwelling units. For all single family residences built after March 1, 1988, 2 covered parking spaces are required. :

New ADU's in newly created space

The new legislation allows an ADU to be constructed as a physical addition onto an existing single family residence or as a detached structure. However, new ADU's are appropriate in the R, G and portions of the C zone. Such new ADU's would not be authorized in the R-S zone primarily due to the infrastructure impacts new ADU's would have on R-S zone. State law does allow the Town to restrict where new ADU's in a newly created space may be located if various impacts will result. The R-S zone, otherwise known as Sterling Park, is a highly dense, small-lot, single family residential

neighborhood with a residential density of approximately 16 units per acre. The Town has consistently dealt with parking impacts in the R-S zone neighborhood. The Town is in the process of looking at various ways to address the ongoing dense parking situation in the neighborhood. With the dense nature of the neighborhood there will be on-going issues with parking and traffic flow in Sterling Park that continue to plague the neighborhood.

For newly constructed ADU's, the following standards would apply:

- The unit would be limited to no more than 50% of the floor area of the existing residence or 1,200 square feet, whichever is less;
- One unit must be owner occupied and a deed restriction recorded; and
- The ADU would be required to comply with all zoning requirements and development standards that apply to the construction of a residence or detached accessory structure in the CMC, such as height, parking setbacks etc.

Council Adopted Values

The recommendation is consistent with the Council value of *responsibility* because it will update Accessory Dwelling Unit requirements so that the Town's ordinance is consistent with state law, while also recognizing the unique characteristics of Colma.

Sustainability Impact

The amendment allows for in-fill housing, which has a positive environmental and sustainability impact by conserving land resources and allowing for housing close to transit.

Alternative

The City Council could choose not to introduce the ordinance which would keep the existing second unit (ADU) provisions in the CMC. However, because the Town's current provisions are not consistent with state law, state law will control. Not adopting the ordinance is not recommended since the Town is required to be in compliance with state law and to forward the new ordinance to the state department of Housing and Community Development (HCD) to demonstrate compliance.

Since the state requirements take precedence over existing local laws, if the Council were not to adopt the ordinance, this would create ambiguity for staff and property owners on how to apply the new state law to their project. Introducing the ordinance is recommended since it clarifies local accessory dwelling unit requirements which would be in compliance with state law.

CONCLUSION

Staff recommends the City Council introduce and adopt the ordinance.

ATTACHMENTS

- A. Ordinance



ORDINANCE NO. ____
OF THE CITY COUNCIL OF THE TOWN OF COLMA

**AN ORDINANCE AMENDING VARIOUS PROVISIONS IN CHAPTER 5 AND ADDING
SUBCHAPTER 5.19 TO THE COLMA MUNICIPAL CODE REGARDING ACCESSORY
DWELLING UNIT REGULATIONS AND FINDING THE ORDINANCE TO BE
STATUTORILY EXEMPT FROM ENVIRONMENTAL REVIEW PURSUANT TO PUBLIC
RESOURCES CODE SECTION 21080.17**

The City Council of the Town of Colma does ordain as follows:

ARTICLE 1. CMC SECTION 5.03.270 REPEALED.¹

Section 5.03.270 shall be and hereby is repealed as follows:

~~5.03.270 Second Dwelling Units. Second Dwelling units shall be permitted in any residential zone except the R-S zone, subject to the following:~~

~~(a) Standards. A second dwelling unit permit will be issued only if the unit complies with the following standards:~~

~~(1) Size: A Second Dwelling Unit may not be smaller than 150 square feet nor larger than 300 square feet and may not contain more than one (1) bedroom.~~

~~(2) Setbacks from property lines shall be provided in conformance with Section 5.03.250(a).~~

~~(3) A minimum of one off-street parking space is required in addition to the parking requirement in section 5.03.250 (b), and may be located in the front setback area and in tandem with other required off-street spaces.~~

~~(4) Maximum building height shall be as specified in Section 5.03.250 (c).~~

~~(5) Design shall be consistent with the standards set forth in Section 5.03.250 (e), except that the minimum width shall be twelve feet.~~

~~(6) A front door entrance shall be provided separate and distinct from the primary dwelling unit.~~

~~(7) A separate utility meter shall be provided.~~

~~(8) The primary residence or the second dwelling unit must be occupied by the owner of record of the property;~~

~~(9) A permanent foundation shall be required for all Second Dwelling Units.~~

¹ Substantive changes have been identified as follows: New text has been underlined; revised text has been underlined, without showing the prior wording; and deleted text is shown with a strike-through line. Non-substantive changes, such as grammar and formatting are not identified. All markings will be removed from the final version that is adopted by the City Council.

~~(10) There shall be only one second dwelling unit on any individual property.~~

~~(b) Permitting Procedures for Second Dwelling Units. Any application for a second dwelling unit permit shall be submitted to the Planning Department for verification that the proposal meets the standards set forth in Section 5.03.250 (a). Upon finding that the standards are met, the proposal shall be approved ministerially without discretionary review or public hearing and the applicant may proceed to acquire a Building Permit.~~

~~(c) Deed Restrictions Applicable to Second Dwelling Units. Neither a Building Permit nor a Certificate of Occupancy may be issued for a second dwelling unit unless and until the property owner has filed with the County Recorder an Agreement of Restriction, which has been approved by the City Attorney as to form and content, containing a reference to the deed under which the property was acquired by the owner and stating the following:~~

~~(1) The second dwelling unit shall not be sold separately from any part of the property on which it is located;~~

~~(2) The second dwelling unit is restricted to the standards specified in Colma Municipal Code Section 5.03.270;~~

~~(3) The second dwelling unit shall be considered legal only so long as either the primary residence or the second dwelling unit is occupied by the owner of record of the property;~~

~~(4) The restrictions shall be binding upon any successor in ownership of the property and lack of compliance shall result in legal action against the property owner.~~

~~[History: formerly § 5.331.2; ORD. 600, 6/25/03; ORD. 638, 12/14/05]~~

ARTICLE 2. CMC SECTION 5.01.080 AMENDED.

Certain definitions in Section 5.01.080 shall be and are hereby amended as follows, with all other definitions remaining:

Accessory Building means a portion of building or a detached subordinate building located on the same lot, the use of which is customarily incidental to that of the main building or to the use of the land. A building or structure shall be considered part of the principal dwelling if a substantial part of the wall of a building is a part of the main building, or if the building or structure is attached to the main building in a substantial manner by a roof, or if there is a common wall with a doorway between the building and the principal dwelling. Examples of accessory buildings and structures that are customarily incidental to a residence include, but are not limited to: a detached garage, tool shed, storage shed, carport, greenhouse, gazebo, detached patio cover, and similar buildings; ~~second dwelling~~ accessory dwelling units are not accessory buildings per Subchapter 5.19.

Dwelling unit means a building or portion thereof designed for occupancy by persons living as one household. [See: ~~second dwelling~~ accessory dwelling unit in Subchapter 5.19, single-family dwelling unit, multiple family dwelling unit.]

~~Second dwelling unit means a dwelling unit which provides complete independent living facilities on the same parcel as a legal single family dwelling including, but not limited to, the permanent provisions for sleeping, eating, cooking and sanitation.~~

[History: formerly § 5.110, ORD. 234, 3/14/79; ORD. 298, 6/13/84; ORD. 319, 5/8/85; ORD. 425, 7/10/91; ORD. 480, 5/10/95; ORD. 506, 3/12/97; ORD. 563, 10/18/99; ORD. 600, 6/25/03; ORD. 617, 6/16/04; ORD. 628, 5/11/05; ORD. 638, 12/14/05; ORD. 646, 7/12/06, ORD. 662, 9/12/07; ORD. 687, 1/13/10; ORD. 706, 3/14/12; ORD. 713, 10/10/12; ORD. 724, 6/12/13; ORD. 728, 10/9/13; ORD. 754, 1/13/16; ORD. XX, xx/xx/17]

[References: Health & Safety Code § 113758]

ARTICLE 3. CMC SECTION 5.03.060 AMENDED.

Section 5.03.060(b)(1) shall be and is hereby amended as follows:

(b) The following uses may be permitted by the City Council on land located in the "G" Zone upon issuance of a use permit in accordance with the procedures hereinafter set forth:

(1) Any use which now or hereafter may be customarily incident to a cemetery or memorial park use, including flower shops, monument shops, crematoriums, caretaker units, accessory dwelling units to caretaker units existing prior to May 31, 2017 as permitted in Subchapter 5.19, and cemetery corporation yards;

[History: formerly § 5.312; ORD. 234, 3/14/79; ORD. 325, 11/13/85; ORD. 480, 5/10/95; ORD. 520, 12/10/97; ORD. 638, 12/14/05; ORD. 728, 10/9/13; ORD. XX, xx/xx/17]

ARTICLE 4. CMC SECTION 5.03.070 AMENDED.

Section 5.03.070(a)(4) shall be and is hereby amended as follows:

(a) The following uses are permitted on land located within the "R" Zone:

(4) ~~Second~~ Accessory dwelling units as permitted in Subchapter 5.19;

[History: formerly § 5.313, ORD. 234, 3/14/79; ORD. 346, 3/11/87; ORD. 442, 10/14/92; ORD. 425, 7/10/91; ORD. 600 6/11/03; ORD. 617, 6/16/04; ORD. 638, 12/14/05; ORD. 685, 1/13/10; ORD. 706, 3/14/12; ORD. 724, 6/12/13; ORD. 728, 10/9/13; ; ORD. XX, xx/xx/17]

[Authorities: Gov't Code §§ 51035, 65850, 65589.5]

ARTICLE 5. CMC SECTION 5.03.080 AMENDED.

Section 5.03.080(a), subsections (6), (7), and (8) shall be and are hereby amended as follows, with all other subsections remaining unchanged:

(a) The following uses are permitted on land located within the "R-S" Zone:

(6) Transitional housing; ~~and~~

(7) An accessory dwelling unit within the existing single family residential structure as permitted in Subchapter 5.19; and

(8) A Home Office or Cottage Food Operation, provided that a Zoning Clearance has been issued in accordance with sections 5.03.234 or 5.03.235, and remains in effect for the property.

[History: formerly § 5.313.1, ORD. 536, 7/8/98, ORD. 617, 6/16/04; ORD. 638, 12/14/05; ORD. 685, 1/13/10; ORD. 706, 3/14/12; ORD. 724, 6/12/13; ORD. 728, 10/9/13; ORD. XX, xx/xx/17]

[Authorities: Gov't Code §§ 51035, 65850, 65589.5]

ARTICLE 6. CMC SECTION 5.03.090 AMENDED.

Section 5.03.090(a) shall be and is hereby amended as follows:

(a) The following uses ~~is~~ are permitted in the "C" Zone:

(1) An emergency shelter; and

(2) An accessory dwelling pursuant to Section 5.19, which shall be limited to only existing single-family residential structures existing as of May 2017 and only where permitted by the General Plan.

[History: formerly § 5.314; ORD. 234, 3/14/79; ORD. 309, 2/13/85; ORD. 425, 7/10/91; Ord. 506, 3/12/97; ORD. 638, 12/14/05; ORD. 720, 5/8/13; ORD. 728, 10/9/13; ORD. 737, 1/14/15; ORD. 758, 2/24/16; ORD. XX, xx/xx/17]

ARTICLE 7. CMC SUBCHAPTER 5.19 ADDED.

Subchapter 5.19 is hereby added as follows:

CHAPTER FIVE: PLANNING, ZONING, USE, AND DEVELOPMENT OF LAND AND IMPROVEMENTS

Subchapter 5.19: Accessory Dwelling Units

5.19.010 Findings.

The City Council of the Town of Colma hereby finds that:

A. The Town of Colma California (the "Town") is a municipal corporation, duly organized under the constitution and laws of the State of California.

B. The Planning and Zoning Law authorizes cities to provide by ordinance for the creation of accessory dwelling units.

C. To address California's shortage of housing supply, the California Legislature approved, and the Governor signed into law, Assembly Bill 2299 (Bloom, Chapter 735, Stats. 2016) and Senate Bill 1069 (Wieckowski, Chapter 720, Stats. 2016).

D. Assembly Bill 2299 and Senate Bill 1069 are double jointing bills, which among other things, amend California Government Code Section 65852.2. These statutes impose new limitations on local authority to regulate second units, which are now referred to as "accessory dwelling units" ("ADU").

E. Assembly Bill 2299 became effective on January 1, 2017 and will render all non-compliant local ordinances null and void on that date unless and until an agency adopts an ordinance that complies with Government Code Section 65852.2.

F. The Town desires to amend the local regulatory scheme for accessory dwelling units that fully complies with Assembly Bill 2299.

5.19.020 Purpose.

The purpose of this chapter is to provide reasonable regulations for the development of accessory dwelling units in certain areas and on lots developed or proposed to be developed with single-family residential dwellings. Such accessory dwelling units contribute needed housing to the community's housing stock and promote housing opportunities for the persons wishing to reside in the Town of Colma. In addition, the regulations in this ordinance are intended to promote the goals and policies of the City's General Plan and comply with requirements codified in the state Planning and Zoning Law related to accessory dwelling units in residential areas, including California Government Code section 65852.2.

5.19.030 Definitions.

"Accessory dwelling unit" means a residential dwelling unit that is detached from, attached to, or located within the living area of an existing primary dwelling unit, and that provides independent living facilities for one or more persons. An accessory dwelling unit also includes an efficiency unit, as defined in California Health and Safety Code section 17958.1, and a manufactured home, as defined in section 18007.

"Living area" is defined as the interior habitable area of a dwelling unit, including basements and attics, but not including a garage or any accessory structure.

5.19.040 Effect of Conforming Accessory Dwelling Unit

An accessory dwelling unit that conforms to this chapter shall:

- A. Be deemed an accessory use or an accessory building and not be considered to exceed the allowable density for the lot upon which it is located;
- B. Be deemed a residential use that is consistent with the General Plan and the zoning designations for the lot;
- C. Not be considered in the application of any ordinance, policy, or program to limit residential growth; and
- D. Not be considered a new residential use for the purposes of calculating connection fees or capacity charges for utilities, including water and sewer service.

5.19.050 Locations Permitted.

- A. Accessory dwelling units may be permitted in the "R" zone and on lots containing existing single-family residences in the "G" and "C" zones and subject to the standards in Section 5.19.070.
- B. Accessory dwelling units that meet the requirements of Section 5.19.070 (B) may be located in the "R" and "R-S" zones.

5.19.060 Permit Procedures.

- A. Permits.
 - 1. Except as provided in subparagraph (2), approved applications for an accessory dwelling unit will result in an accessory dwelling unit permit. The applicant shall also obtain a building permit as required by the building code and record a deed restriction as provided in Section 5.19.080.
 - 2. Exception. Accessory dwelling units that meet the requirements of Section 5.19.070(B) shall obtain a building permit as required by the building code and record a deed restriction as provided in Section 5.19.080.
- B. Application Processing.
 - 1. Applications for an accessory dwelling unit permit must be submitted to the City Planner on a form and with information and materials, as adopted by the City Planner.
 - 2. The City Planner may collect a fee for processing the application, provided such fee is approved by resolution of the City Council.
- C. Review.
 - 1. The City Planner will review and approve complete applications for an accessory dwelling unit permit that comply with the requirements of

Sections 5.19.070 (Standards) and 5.19.080 (Deed Restrictions). The accessory dwelling unit permit application shall be considered ministerially without any discretionary review or a hearing.

2. The City Planner will approve or disapprove of an application for an accessory dwelling unit permit within 120 days after receiving the complete application.
3. Except as otherwise provided in this chapter, the construction of an accessory dwelling unit shall be subject to any applicable fees adopted pursuant to the requirements of California Government Code, Title 7, Division 1, Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).

5.19.070 Standards.

A. Except as provided in subparagraph (B), accessory dwelling units must meet the following standards:

1. Development on the Lot.
 - (a) A single-family dwelling must exist on the lot or be constructed in conjunction with the accessory dwelling unit.
 - (b) The accessory dwelling unit must be:
 - (i) Detached from the existing primary dwelling, but located on the same lot as the existing dwelling;
 - (ii) Attached to the existing dwelling; or
 - (iii) Located within the living area of the existing dwelling.
 - (c) Only one accessory dwelling unit shall be allowed per lot.
 - (d) The accessory dwelling unit is not intended for sale separate from the primary residence.
2. Occupancy.
 - (a) The property owner must occupy either the primary dwelling or accessory dwelling unit.
 - (b) The accessory dwelling unit may be rented, but shall only be rented for terms longer than 30 days.
3. Building and Construction.
 - (a) An accessory dwelling unit shall include permanent provisions for living, sleeping, eating, cooking, and sanitation.

- (b) An accessory dwelling unit is required to have fire sprinklers, only if the primary residence is also required to have fire sprinklers.
- (c) An accessory dwelling unit must receive the approval by either the North San Mateo County Sanitation District or South San Francisco Sewer where a private sewage disposal system is being used.
- (d) An accessory dwelling unit shall meet the requirements of the building code, as adopted and amended by Chapter 5, Subchapter 4 of the Municipal Code, that apply to detached dwellings, as appropriate.
- (e) A separate utility connection shall be installed directly between the accessory dwelling unit and the utility. The connection shall be subject to a connection fee or capacity charge, or both, proportionate to the burden of the proposed unit, based on either its size or the number of its plumbing fixtures, upon the water or sewer system.
- (f) No passageway shall be required in conjunction with the construction of an accessory dwelling unit. "Passageway" is defined as a pathway that is unobstructed clear to the sky and extends from to street to one entrance of the accessory dwelling unit.

4. Parking.

- (a) Except as provided in subparagraph (b):
 - (i) Accessory dwelling units must meet the following parking standards:
 - (I) For accessory dwelling units with no separate bedrooms, one off-street parking space shall be provided per unit.
 - (II) For accessory dwelling units with at least one separate bedroom, one off-street parking space shall be provided per bedroom.
 - (ii) If parking is required:
 - (I) The required parking spaces may be located on setback areas approved by the City Planner or tandem parking on an existing driveway, unless specific findings are made under subparagraph (II).
 - (II) Parking arrangements in subparagraph (I) may be prohibited if the City Planner makes specific

findings that such parking arrangements are not feasible based upon specific site or regional topographical or fire or life safety conditions, or that such arrangements are not permitted anywhere in the jurisdiction.

(III) When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit, the replacement spaces may be located in any configuration on the same lot as the accessory dwelling unit, including, but not limited to, as covered spaces, uncovered spaces, tandem spaces, or by the use of mechanical automobile parking lifts.

(b) Parking standards shall not be imposed on an accessory dwelling unit in any of the following circumstances:

(i) The accessory dwelling unit is located within one-half mile of public transit.

(ii) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(iii) The accessory dwelling unit is part of the existing primary residence or an existing accessory structure.

(iv) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.

(v) When there is a car share vehicle located within one block of the accessory dwelling unit.

5. Height.

The accessory dwelling unit must meet the height standards of the applicable zoning district.

6. Setbacks.

(a) Except as provided in subparagraphs (b) and (c), an accessory dwelling unit must meet the setback standards of the applicable zoning district.

(b) No setback shall be required for a legally established existing garage that is converted to an accessory dwelling unit.

- (c) A minimum setback of five (5) feet shall be required from the side and rear lot lines for an accessory dwelling unit constructed above a legally established existing garage.

7. Unit Size.

- (a) The increased floor area of an attached accessory dwelling unit shall not exceed 50 percent of the existing living area, with a maximum increase in floor area of 1200 square feet.
- (b) The total area of floor space for a detached accessory dwelling unit shall not exceed 1200 square feet.
- (c) The accessory dwelling unit shall contain no less than the 150 square feet area minimum required for an efficiency dwelling unit as defined in Section 17958.1 of the Health & Safety Code.

8. Landscape.

The accessory dwelling unit must meet the landscaping standards of the applicable zoning district. If new landscaping is installed, it should be the Water Efficient Landscape Ordinance standards in Chapter 5, Subchapter 11 of the Colma Municipal Code.

9. Architecture Review.

The design of the accessory dwelling unit shall relate to the design of the primary residence by use of the similar exterior wall materials, window types, door and window trims, roofing materials and roof pitch.

10. Impacts to Historic Places.

To prevent adverse impacts to any real property that is listed in or eligible for the California Register of Historic Places, accessory dwelling units should only be located within the footprint of the existing structure or be a separate detached accessory structure with minimal or no visibility from a public street.

B. An accessory dwelling unit is exempt from the requirements of subparagraph (A) if the unit meets all the requirements of subparagraph (B)(1):

1. The accessory dwelling unit:

- (a) Is one accessory dwelling unit per single-family lot located within a single-family residential zone;
- (b) Is contained within the existing living area space of a single-family residence or accessory structure;
- (c) Has independent exterior access from the existing residence; and

- (d) The side and rear setbacks are sufficient for fire safety.
- 2. If the requirements of subparagraph (B)(1) are met, then the applicant:
 - (a) Is required to install fire sprinklers in the accessory dwelling unit if the primary residence is also required to have fire sprinklers;
 - (b) Is not required to install a new or separate utility connection directly between the accessory dwelling unit and the utility, or to be charged a related connection fee or capacity charge.
 - (c) Shall record a deed restriction as provided in Section 5.19.080 and obtain a building permit as required by the building code as adopted and amended by Chapter 5, Subchapter 4 of the Municipal Code.
 - (d) Shall provide replacement off-street parking spaces to serve the primary residence if the proposed accessory dwelling unit would result in the conversion of an existing garage, carport or other covered parking structure. However, the applicant is not required to provide off-street parking to serve the accessory dwelling unit. The replacement parking spaces may be located in any configuration on the lot and may be provided as covered spaces, uncovered spaces or tandem spaces or by the use of mechanical automobile parking lifts.

5.19.080 Deed Restriction.

- A. Prior to issuance of a building permit for an accessory dwelling unit, a deed restriction shall be recorded against the title of the property in the County Recorder's office and a copy filed with the Planning Department. Said deed restriction shall run with the land, and shall bind all future owners, heirs, successors, or assigns. The form of the deed restriction shall be provided by the City and shall provide that:
 - 1. The accessory dwelling unit shall not be sold separately from the primary residence.
 - 2. The unit is restricted to the approved size and attributes of this chapter.
 - 3. The deed restrictions run with the land and may be enforced against future purchasers.
 - 4. The deed restrictions may be removed if the owner eliminates the accessory dwelling unit as evidenced by the removal of the kitchen facilities and all utility connections and line extensions to support the unit.
 - 5. The deed restrictions shall be enforced by the City Planner or his or her designee for the benefit of the Town of Colma. Failure of the property

owner to comply with the deed restrictions may result in legal action against the property owner and the Town shall be authorized to obtain any remedy available to it at law or equity, including but not limited to obtaining an injunction enjoining use of the accessory dwelling unit in violation of the recorded restrictions or abatement of the illegal unit.

ARTICLE 8. SEVERABILITY.

Each of the provisions of this Ordinance is severable from all other provisions. If any article, section, subsection, paragraph, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

ARTICLE 9. NOT A CEQA PROJECT.

The City Council of the Town of Colma finds the adoption of this ordinance to be statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 21080.17 of the Public Resources Code because it is an ordinance regarding accessory dwelling units in a single-family or multifamily residential zone to implement the provisions of Government Code Section 65852.2.

ARTICLE 10. EFFECTIVE DATE.

This ordinance, or a summary thereof prepared by the City Attorney, shall be posted on the three (3) official bulletin boards of the Town of Colma within 15 days of its passage and is to take force and effect thirty (30) days after its passage.

ARTICLE 11. FILING.

The City Clerk shall submit a copy of this ordinance to the Department of Housing and Community Development within 60 days after adoption.

Certificate of Adoption

I certify that the foregoing Ordinance No. ____ was duly introduced at a regular meeting of the City Council of the Town of Colma held on March 8, 2017 and duly adopted at a regular meeting of said City Council held on _____, 2017 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor					
Raquel "Rae" Gonzalez					
Joanne F. del Rosario					
John Irish Goodwin					
Diana Colvin					
<i>Voting Tally</i>					

Dated _____

Helen Fiscaro, Mayor

Attest: _____
Caitlin Corley, City Clerk





STAFF REPORT

TO: Mayor and Members of the City Council

FROM: Sean Rabé, City Manager
Brad Donohue, Director of Public Works
Paul Rankin, Finance Director

MEETING DATE: March 8, 2017

SUBJECT: Town Hall Renovation Budget Amendment

RECOMMENDATION

Staff recommends that the City Council adopt the following resolution:

RESOLUTION AMENDING BUDGET APPROPRIATIONS FOR FISCAL YEAR 2016-2017
REGARDING THE TOWN HALL RENOVATION PROJECT BUDGET

EXECUTIVE SUMMARY

The proposed resolution will amend the construction budget for the Town Hall Renovation project allowing for the completion of Phase V (infill and site work). Funding for the budget amendment will come from the budget surpluses held in the Town's Unassigned Reserves, which has more than adequate capacity to fund the amendment.

FISCAL IMPACT

The established budget for the entire project was set at \$13 million by the City Council in Fiscal Year 2014/2015. Of this amount \$10 million was estimated as being necessary for construction of the improvements and expansion of the building. The remainder of the budget included allocations for associated costs including contract services, design, equipment and furnishings, etc.

A Budget Amendment of \$5 million is proposed. This proposed increase will increase the \$13 million project budget to \$18 million.

The source of the additional appropriation will be a combination of the 2016-2017 General Fund Appropriation to Reserves of (\$1,878,000) plus a reduction in Unassigned General Fund Reserves in the amount of \$3,121,253. At the time the 2016-2017 Budget was adopted Staff noted that there was an unappropriated balance that would be addressed as part of future Capital Project discussions. As of the Mid-Year Budget report the balance in the Unassigned General Fund Reserves was projected to be \$8.9 million by June 30, 2017 without this additional authorized spending. The reduction caused by the additional project costs will still allow the Town to maintain its sound financial foundation. Upon approval of the Budget Change the funds will be transferred from the General Fund (#11) to the General CIP Fund (#31).

BACKGROUND

On November 9, 2016, the City Council adopted a resolution rejecting all bids received for Phase V and authorized the City Manager to engage in direct negotiations with a contractor to complete Phase V through force account. Phase V is the last major phase of work which includes the following:

- Labor, materials and equipment required to purchase, fabricate and install the metal stud wall framing, insulation, sheetrock, plaster, wall and floor finishes, roofing and roof tiles, waterproofing and flashings, windows, mechanical/electrical/data/plumbing/, interior finishes, elevator, fire suppression systems and fixtures, landscaping, hardscapes, planters, enclosures, guard/handrails, utilities and utility undergrounding, etc. for the new addition.
- The Renovation of the Historic Town Hall in Phase V includes all the labor, materials and equipment required to purchase, fabricate and install the wood wall framing, insulation, sheetrock, plaster, touch up, select seismic retrofitting City Council Chamber modifications to comply with ADA, existing rough carpentry touch up, wall and floor finishes, roof tiles, waterproofing and flashings, seismic expansion joint install, mechanical/electrical/data, AV/plumbing/fire suppression systems and custom light fixtures, etc.

In addition, the Contractor shall be responsible for preserving and maintaining the existing historic look and feel of the 1941 building.

Furniture, Fixtures and other Equipment (FF&E) scopes of work shall be completed under Phase VI, which will be bid out as a stand-alone package.

As Council will recall, the project has been broken down into the several phases. These phases (and their status) are shown below:

- Phase I – Hazmat Abatement at Old Town Hall – Phase Complete
- Phase II – Select Building Demolition – Phase Complete
- Phase III – Mass Grading, Excavation and Building Foundations – Phase Complete
- Phase IV – Structural Steel – To be complete in February 2017
- Phase V – Infill and Sitework – Construction to begin February 2017
- Phase VI – Free Standing Furniture and Equipment (FF&E) – Fall of 2017

On November 9, 2016, staff recommended and City Council approved the rejection of all bids for Phase V of the Town of Colma Town Hall Renovation and Additions Project and elected by a four-fifths vote of the City Council to perform the work by Force Account pursuant to Public Contract Code 22038. Upon meeting with and interviewing five very qualified General Contractors between November and December of 2016, Staff proceeded to negotiate Phase V via Force Account with BBI Construction, a reputable East Bay commercial construction firm with a strong resume in Value Engineering (VE).

Together the Town, BBI Construction, Ratcliff Architects and their design consultants began the process of Value Engineering. The VE endeavor is a common practice used by owners, contractors and designers alike to reduce costs of a project without removing scope. This process re-evaluates specific areas of the project for efficiency, cost and constructability savings. Some common areas include evaluating material costs to find less expensive products

while maintaining equal function, utilizing alternative manufacturers whom may provide equal products (while again maintain equal function), incorporating alternate installation methods to reduce schedule and/or streamline installation and the most common, soliciting constructability comments from contractors and subcontractors alike.

Subcontractors are valued in the VE effort in that they are the most knowledgeable group about their specific scopes and trades. The various contractors, management teams and field crews have first-hand experience on both procuring, constructing and installing the materials and products; their feedback is key to determining where costs can be saved without altering or effecting the look, shape and feel of the project.

For example, upon rejecting all bids on November 9th, the Town received pertinent feedback from various electrical subcontractors that bid the project. Their analysis was that the project plans and specifications are constraining due to the material selection and the electrical suppliers and methods of install. Once the bids were rejected and the Town could legally interact with bidders, substantial costs saving were recognized. This feedback was relayed to the architectural team, who is working with the Town to make modifications and drive project costs down while still maintaining the City Council's vision for the project.

ANALYSIS

The cost of construction in the public and private sectors is unprecedented and unexplainable. Many speculate that with a growing economy and an abundance of work, contractor and material vendors are stretched and unavailable to even bid on projects, thus the ones that do bid have for various reasons increased their costs to unprecedented highs. For example, a conversation between the City Manager and the Assistant County Administrative Officer revealed that the County's construction projects are routinely coming in between 25 and 40 percent higher than estimated. To verify this dilemma, Staff has tested the market in many of the sub-trades that would be involved in the project to see if the pricing was overpriced or if this is the new reality. The pricing kept on coming back consistently higher than estimated, thus giving credit to reality that costs today have risen to unprecedented highs. Costs continue to escalate and if the Town waits much longer to begin construction we will likely see not only higher prices but also a potential lack of available contractors (which would drive costs even higher).

City Council realized this at the November 2016 City Council Meeting where they rejected all bids and allowed the City Manager to negotiate with qualified contractors who are familiar with costing out a project with Value Engineering strategies to help assist with lowering construction costs.

This effort produced material substitutions and means and methods revisions with various scopes of work. Some of these modifications produced large savings, while others were more moderate. In total, however, the VE savings prove significant (approximately \$1 million thus far). Some major areas which were affected are as follows:

- Reduction of scope of voluntary seismic retrofit to the 1941 building. The structural design was excessive to what is actually needed at the existing 1941 structure. Reducing this work limits demolition and replacement of existing structures in the building.
- Modifications to the staff patio area where the paver system was deleted and integrated color concrete will instead be installed, this provides the same aesthetic look with a less expensive means of install.

- Substitution to interior office storefront system from Blomberg to Old Castle window systems
- Building caps revised from custom cantera stone to more readily available pre-cast items of similar aesthetics and dimensions.
- Lighting fixture revisions with alternate manufacturers and profile types; fixtures will maintain necessary Title 24 requirements
- Electrical installation methods have been altered where conduit can be reduced and the use of MC cabling in concealed locations in both the 1941 building and addition are acceptable.
- Data install methods have been reduced to limit conduit install and utilize j hooks/cable trays in concealed locations in both buildings.

While the VE effort significantly decreased the overall project cost from that of the rejected bids, the final cost is still much higher than what was previously assumed. The cost of construction can be attributed directly to the nature of the bidding climate in the San Francisco Bay Area. Material costs and labor wages are at a record high for the region and compliance with new stringent building and energy efficient codes also impacts costs. And there is simply an abundance of building occurring in the Bay Area, which creates a scarcity in available labor (particularly in skilled trades).

Many of the specific VE items explained above were explored and accepted by Staff and the design team; these items have been incorporated by the contractor in efforts to lower the overall construction costs. Many VE items were rejected by Staff and the design team as they were deemed to be too significant of a change and would compromise the overall design and integrity of the project previously approved by City Council. A good example of this is the modification of the front steps of the 1941 building: if the steps were left alone (no ADA improvements made) and the primary entrance of the building were instead highlighted as coming off the parking lot, a significant savings would have been seen. However, Staff is keenly aware of the Council's desire to keep the front entrance of Town Hall as the focus of the building and the original intent of the project was to make the 1941 building ADA accessible. In these cases, the contractor deleted/omitted the VE option from their cost estimates, even though they would have aided the overall cost reduction process.

Staff is very aware of Council's desires and intentions for the design and the look of Town Hall and would not approve any changes that would alter or compromise that without first consulting with City Council.

Staff is requesting the City Council approve the amendment to the construction budget in the amount of \$5 million. The following Table shows the impact of the adjusted budget and funding sources:

GENERAL FUND BUDGET & IMPACT ON RESERVES CURRENT vs. AFTER ADJUSTMENT

	Projection February 2017 (After Mid- Year Adj)	Use of Reserves For Town Hall March 2017
Beginning Balance 7/1/2016	\$22,594,248	\$22,594,248
<u>CURRENT GENERAL FUND BUDGET (FEB. 2017)</u>		
2016-17 Revenue & Transfers-In	\$17,036,712	\$17,036,712
2016-17 Expenditures & Transfers-Out	(\$15,157,965)	(\$15,157,965)
2016-17 Additional Town Hall Appropriation		(\$5,000,000)
Net Change In General Fund Balance	\$1,878,747	(\$3,121,253)
Projected Ending Balance 6/30/2017	\$24,472,995	\$19,472,995

As shown above after the Mid-Year Budget Adjustments the current year revenues were expected to exceed the amount required for current expenditures by \$1.8 million. Therefore, the proposed additional appropriation of \$5 million will only impact the projected reserves ending balance by \$3,121,253.

In accordance with policies established by the City Council, the Town records its reserves as either committed, Assigned, or Unassigned. As shown below even after the additional appropriation the Town continues to have funds in the "Unassigned Category", which may be appropriate to use to reduce liabilities or contribute towards other one-time uses. This can be done prudently given that the Town retains a significant committed funds in a separate Budget Stabilization category.

**BREAKDOWN OF PROJECTED GENERAL FUND RESERVES CURRENT vs.
AFTER ADJUSTMENT**

		Projection February 2017 (After Mid- Year Adj)	Use of Reserves For Town Hall March 2017
Committed	Debt Reduction	\$600,000	\$600,000
	Budget Stabilization	14,000,000	14,000,000
Assigned	Litigation	100,000	100,000
	Insurance	100,000	100,000
	Disaster Response / Recovery	750,000	750,000
Unassigned		8,922,995	3,922,995
Projected Ending Balance 6/30/2017		\$24,472,995	\$19,472,995

It should be noted that in addition to the \$1.8 million surplus the Town is anticipating at the end of FY 2016-17, the Town had a \$2.5 million surplus at the end of FY 2015-16. Thus, the \$5 million budget increase is nearly accommodated by the surpluses of the last two years (\$4.3 million).

Construction contingencies are included in the proposed budget amendment. Once construction starts in the next phase, opportunities regarding construction savings will become more apparent. Staff, designers and the contractor believe that we can still continue the VE effort while in construction, thus achieving lowering construction costs.

If approved, the City Manager and BBI Construction will proceed with executing a construction contract in anticipation of starting construction on Phase V in March of 2017.

COUNCIL ADOPTED VALUES

Approval of the proposed budget amendment is the *responsible* action because the City Council will have considered budget amendment's long term financial implications versus the construction cost implications of not moving forward at this time. Approval of the budget amendment is also the responsible action because the value engineering process that Staff has undertaken has reduced construction costs as much as possible at this point.

ALTERNATIVES

The City Council could choose to not approve the budget amendment. Doing so, however is not recommended because the project would not have sufficient funds to proceed in its current scope and redesign would have to be considered. This would result in significant delays and could result in further cost increases .

CONCLUSION

Staff recommends the City Council approve the Resolution, approving a budget amendment in the amount of \$ 5,000,000.

ATTACHMENTS

- A. Budget Amendment Resolution

RESOLUTION NO. 2017-__
OF THE CITY COUNCIL OF THE TOWN OF COLMA

RESOLUTION AMENDING BUDGET APPROPRIATIONS FOR FISCAL YEAR 2016-2017
REGARDING THE TOWN HALL RENOVATION PROJECT BUDGET

The City Council of the Town of Colma does hereby resolve:

1. Background

- (a) The City Council adopted a budget for Fiscal Year 2016-2017 on June 8, 2016.
- (b) As part of the Fiscal Year 2016-2017 budget, the City Council appropriated thirteen million dollars (\$13,000,000) for the Town Hall Renovation Project (the "Project") budget based on previous Council actions.
- (c) Town staff has identified that Phase V of the Project (Infill and Sitework) has estimated costs that are higher than anticipated thus necessitating a change in the total Project budget.
- (d) The Town's adopted budget policy provides that the City Council shall approve any amendment to an original budget appropriation.
- (e) The City Council has duly considered the Staff Report and public comments, if any, in considering this budget amendment.

2. Finding

- (a) The City Council finds that based on changes since the original budget was adopted that it is appropriate to have the City Council approve an amendment to the Fiscal Year 2016-2017 budget in the amount of \$5,000,000, to be moved from Fund 11 (General Fund) to Fund 31 (Capital Improvement Fund).
- (b) The City Council finds that the total expenditures in the 2016-2017 budget, after the proposed amendment, will not exceed the appropriations limits for fiscal year 2016-2017, which is \$40,596,874.75.
- (c) The approval of the budget amendment will continue to result in a balanced budget with current year General Fund Operating Revenue exceeding the amount of current Year General Fund Operating Expenses.

3. Order; Amendment to Budget

- (a) The Fiscal Year 2016-2017 budget is amended by \$5,000,000. Said amendment is to be moved from Fund 11 (General Fund) to Fund 31 (Capital Improvement Fund).
- (b) The City Manager shall ensure that the changes are incorporated in the official Finance and Accounting systems as detailed above.

4. Effective Date.

- (a) This resolution shall become effective upon adoption.

Certification of Adoption

I certify that the foregoing Resolution No. 2017-__ was duly adopted at a regular meeting of said City Council held on March 8, 2017 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Helen Fiscaro, Mayor					
Raquel "Rae" Gonzalez					
Joanne F. del Rosario					
John Irish Goodwin					
Diana Colvin					
<i>Voting Tally</i>					

Dated _____

Helen Fiscaro, Mayor

Attest: _____

Caitlin Corley, City Clerk