



SAN RAFAEL CITY COUNCIL – MONDAY, DECEMBER 2, 2019

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

AGENDA

OPEN SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL – 6:30 P.M.

1. Mayor Phillips to announce Closed Session items.

CLOSED SESSION – THIRD FLOOR CONFERENCE ROOM, CITY HALL – 6:30 P.M.

2. Closed Session:
 - a. Conference with Labor Negotiators – Government Code Section 54957.6
Lead Negotiator: Timothy L. Davis (Burke, Williams & Sorensen)
Agency Designated Representatives: Jim Schutz, Cristine Alilovich, Nadine Hade, Police Chief Diana Bishop, Fire Chief Christopher Gray
Employee Organizations: San Rafael Police Mid-Management Association; Public Employee Union, Local 1; San Rafael Firefighters' Association; San Rafael Police Association; SEIU Local 1021; Western Council of Engineers; San Rafael Fire Chief Officers' Association

OPEN TIME FOR PUBLIC EXPRESSION – 7:00 PM

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

CITY MANAGER'S REPORT:

3. City Manager's Report:

CONSENT CALENDAR:

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

4. Consent Calendar Items:
 - a. **Approval of Minutes**
Approve Minutes of City Council / Successor Agency Regular and Special Meetings of Monday, November 18, 2019 (CC)
Recommended Action – Approve minutes as submitted

- b. **Agency Report of Public Officials 2020**
Adoption of Agency Report of Public Officials Appointments (FPPC Form 806) (CA)
Recommended Action – Approve staff recommendation
- c. **Dominican Sisters Lourdes Convent – Transitional Housing Use**
Resolution Approving a Use Permit Amendment (UP19-039) to Permit the Continued Use of the “Yellow Hallway” Area of the Lourdes Convent as a Single Residential Unit for Transitional Housing in Perpetuity at 77 Locust Avenue (CD)
Recommended Action – Continue to 12/16/2019 City Council Meeting for a Public Hearing
- d. **Fire Prevention Grant Application**
Resolution Approving the Filing of an Application for the California Climate Investment Fire Prevention Grant Program (FD)
Recommended Action – Adopt Resolution
- e. **Francisco Blvd. West Multi-Use Path 2nd Street to Rice Drive Funding**
Resolution Requesting the Metropolitan Transportation Commission for the Allocation of Fiscal Year 2019/2020 and 2020/2021 Transportation Development Act Article 3 Pedestrian/Bicycle Project Funding (PW)
Recommended Action – Adopt Resolution

SPECIAL PRESENTATIONS:

5. Special Presentations:

- a. Canine Jesco Swearing-in Ceremony and Welcome to Canine Blue (PD)

PUBLIC HEARINGS:

6. Public Hearings:

- a. **Downtown Business Improvement District (BID) Assessment Annual Renewal**
Resolution Approving the Downtown San Rafael Business Improvement District Assessment for Calendar Year 2020 (ED)
Recommended Action – Adopt Resolution

OTHER AGENDA ITEMS

7. Other Agenda Items:

- a. **General Plan 2040 / Downtown Precise Plan**
General Plan 2040 Progress Report #3 and Resolution Amending Resolution No. 14426, Modifying Appointments to the General Plan 2040 Steering Committee (City File Nos. GPA 16-001 & P16-013) (CD)
Recommended Action – Adopt Resolution, accept report and provide feedback to staff

COUNCILMEMBER REPORTS / REQUESTS FOR FUTURE AGENDA ITEMS:

(including AB 1234 Reports on Meetings and Conferences Attended at City Expense)

8. Councilmember Reports:

SAN RAFAEL SUCCESSOR AGENCY:

1. Consent Calendar:

a. Modification of Agreement in Connection with Bonds Funding a Loan Made by the San Rafael Redevelopment Agency to Martinelli House in 2007

Resolution Approving and Authorizing the Successor Agency Executive Director to Execute an Amendment to a Master Pledge and Assignment in Connection with the San Rafael Redevelopment Agency's 2007 Issuance of Multifamily Housing Revenue Bonds (Fin)

Recommended Action - Adopt Resolution

ADJOURNMENT:

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

In the Council Chambers of the City of San Rafael, Monday, November 18, 2019



Regular Meeting

San Rafael City Council

Minutes

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

Absent: None

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

[How to Participate in Your City Council Meeting](#)

Mayor Phillips called the meeting to order at 7:12 p.m.

OPEN SESSION - THIRD FLOOR CONFERENCE ROOM, CITY HALL - 5:30 P.M.

1. Mayor Phillips announced Closed Session items.

CLOSED SESSION - THIRD FLOOR CONFERENCE ROOM, CITY HALL - 5:30 P.M.

2. Closed Session:
 - a. Conference with Labor Negotiators – Government Code Section 54957.6
Lead Negotiator: Timothy L. Davis (Burke, Williams & Sorensen)
Agency Designated Representatives: Jim Schutz, Cristine Alilovich, Nadine Hade, Van Bach, Police Chief Diana Bishop, Fire Chief Christopher Gray
Employee Organizations: SEIU - Childcare; San Rafael Police Mid-Management Association; Public Employee Union, Local 1; San Rafael Firefighters' Association; San Rafael Police Association; SEIU Local 1021; Western Council of Engineers; San Rafael Fire Chief Officers' Association

City Attorney Robert Epstein announced that no reportable action was taken in Closed Session. Also, he announced that the Council may resume the Closed Session after the regular meeting, so there may be another report at the outset of the next regular meeting.

Mayor Phillips announced that item 7.b would be interpreted from English to Spanish.

OPEN TIME FOR PUBLIC EXPRESSION - 7:00 PM

Minutes subject to approval at the City Council meeting of December 2, 2019

- Buz Johanson commented on the condition of sidewalks, benches and homelessness in downtown San Rafael
- Earnestine Lawson, Marin Airporter, addressed the City Council regarding lanes on Third Street and Hetherton Street

CITY MANAGER'S REPORT:

3. City Manager's Report:

- City Manager Jim Schutz announced:
 - potential PG&E Public Safety Power Shutoff
 - Fire Station 57 Grand Opening and Chief Gray's Retirement event to be held at Fire Station 57 on Tuesday, November 19, 2019 from 5-6:30 p.m.
 - Our Stories: Immigration and our Community event to be held at San Rafael High School on Tuesday, November 19, 2019 form 5-8:30 p.m.

City Manager Schutz responded to Mayor Phillip's question regarding traffic signal operation and the PG&E Public Safety Power Shutoff

CONSENT CALENDAR:

4. Consent Calendar Items:

Item 4.c is held from the Consent Calendar

Mayor Phillips invited public comment on the remaining items

John Reynolds commented on item 4.c and item 4.e

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

Community Development Director Paul Jensen addressed John Reynolds' comment regarding item 4.e

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

a. Approval of Minutes

Approve Minutes of City Council / Successor Agency Regular and Special Meetings of Monday, November 4, 2019 and the Special Meeting of October 29, 2019 (CC)

[Regular Minutes 2019-11-04](#), [Special Minutes 2019-11-04](#), [Special Minutes 2019-10-29](#)

Approved minutes as submitted

b. Design Review Board Reappointment

Reappoint Donald Blayney to Fill One Four-Year Alternate Member Term on the Design Review Board to the End of December 2023 (CC)

[Design Review Board Reappointment](#)

Approved staff recommendation

Minutes subject to approval at the City Council meeting of December 2, 2019

- d. **Noise Ordinance Amendments for Utility Power Outages**
Final Adoption of Ordinance 1977: An Ordinance of the City of San Rafael City Council Amending Chapter 8.13 of the San Rafael Municipal Code Entitled "Noise" to Add an Exemption from Noise Regulations for the Use of Generators for Emergencies and Utility Power Outages (CC)
[Noise Ordinance Amendments for Utility Power Outages](#)
Final Adoption of Ordinance 1977
- e. **Affordable Housing Agreement for 211-215 Belle Avenue**
Resolution Authorizing the City Manager to Sign a Below Market Rate Agreement for a Rental Unit at 211-215 Belle Avenue (APN 014-065-05) (CD)
[Affordable Housing Agreement for 211-215 Belle Avenue](#)

RESOLUTION 14738 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A BELOW MARKET RATE AGREEMENT FOR A RENTAL UNIT AT 211-215 BELLE AVENUE (APN 014-065-05)
- f. **San Rafael Downtown Business Improvement District (BID) Assessment Annual Renewal**
Resolution Declaring the City Council's Intention to Levy an Annual Assessment for the Downtown San Rafael Business Improvement District (ED)
[Downtown BID Assessment Annual Renewal](#)

RESOLUTION 14739 - RESOLUTION DECLARING THE CITY COUNCIL'S INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR THE DOWNTOWN SAN RAFAEL BUSINESS IMPROVEMENT DISTRICT
- g. **Caltrans Maintenance Agreement**
Resolution Approving and Authorizing the City Manager to Execute a Project Specific Maintenance Agreement with the State of California Department of Transportation (Caltrans) for Maintenance of Portions of Lucas Valley Road and Smith Ranch Road Within State Right-Of-Way (PW)
[Caltrans Maintenance Agreement](#)

RESOLUTION 14740 - RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROJECT SPECIFIC MAINTENANCE AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR MAINTENANCE OF PORTIONS OF LUCAS VALLEY ROAD AND SMITH RANCH ROAD WITHIN STATE RIGHT-OF-WAY
- h. **Southern Heights Retaining Wall**
Resolution Approving and Authorizing the City Manager to Execute a Professional Services Agreement with Mark Thomas and Company, Inc. for Engineering Design and Environmental Clearance Services Associated with the Southern Heights Boulevard at Courtright Road Retaining Wall Project In an Amount Not to Exceed \$114,000 (PW)
[Southern Heights Retaining Wall](#)

RESOLUTION 14741 - RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH MARK

Minutes subject to approval at the City Council meeting of December 2, 2019

THOMAS AND COMPANY, INC. FOR ENGINEERING DESIGN AND ENVIRONMENTAL CLEARANCE SERVICES ASSOCIATED WITH THE SOUTHERN HEIGHTS BOULEVARD AT COURTRIGHT ROAD RETAINING WALL PROJECT IN AN AMOUNT NOT TO EXCEED \$114,000

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

The following item was held from the Consent Calendar:

c. Short-Term Rental Ordinance

Final Adoption of Ordinance 1976: An Ordinance of the City of San Rafael City Council Amending Section 14.03.030 and Section 3.20.020 of the San Rafael Municipal Code, and Adding New Chapter 10.110 Entitled "Short-Term Rental Program" (CC)

[Short-Term Rental Ordinance](#)

Community Development Department Professional Analyst Ethan Guy responded to questions from the City Council

Mayor Phillips invited public comment

Speakers: John Reynolds

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

Councilmember Gamblin moved and Councilmember McCullough seconded to approve Final Adoption of Ordinance 1976

Final Adoption of Ordinance 1976

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

SPECIAL PRESENTATIONS:

5. Special Presentations:

a. Proclamation Supporting Shop San Rafael

Mayor Phillips presented a Proclamation Supporting Shop San Rafael to members of San Rafael Downtown Business Improvement District (BID)

PUBLIC HEARINGS

6. Public Hearings:

a. Tri-Annual Building Code Ordinance Amendments

Final Adoption of Ordinance 1974: An Ordinance of the City of San Rafael City

Minutes subject to approval at the City Council meeting of December 2, 2019

Council Amending Title 12 of the San Rafael Municipal Code Adopting the 2019 California State Construction Codes with Amendments (CD)

[Tri-Annual Building Code Ordinance Amendments Correspondence](#)

Chief Building Official Don Jeppson presented the staff report

Staff responded to questions from the City Council

Mayor Phillips invited public comment

Speakers: Bill Carney, Sustainable San Rafael

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

Staff responded to questions from the City Council and the public

Councilmember Colin moved and Councilmember McCullough seconded to approve the final adoption of Ordinance 1974

Final Adoption of Ordinance 1974

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

b. Tri-Annual Fire Code Ordinance Amendments

Final Adoption of Ordinance 1975: An Ordinance of the City of San Rafael City Council Amending Chapter 4.08 of the San Rafael Municipal Code to Adopt By Reference the California Fire Code 2019 Edition with Amendments, the International Fire Code 2018 Edition, and Appendix A of the 2018 International Wildland-Urban Interface Code and Adopting Findings of Fact Supporting the Amendments to Such Codes (FD)

[Tri-Annual Fire Code Ordinance Amendments](#)

Deputy Fire Chief Sinnott presented the staff report

Mayor Phillips invited public comment, however there was none

Councilmember McCullough moved and Councilmember Gamblin seconded to approve the final adoption of Ordinance 1975

Final Adoption of Ordinance 1975

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

OTHER AGENDA ITEMS

7. Other Agenda Items:

- a. **Exclusive Negotiating Agreement with Goldstone Management Inc. Resolution Approving and Authorizing the City Manager to Execute An Agreement to Negotiate Exclusively with Goldstone Management Inc. Regarding Redevelopment of 1009 and 1001 Fourth Street, 924-926 Third Street, and the Third Street and Lootens Plaza Parking Garage (ED)**
[Exclusive Negotiating Agreement with Goldstone Management Inc.](#)

Economic Development Director Danielle O'Leary presented the staff report with Goldstone Management

Jerry Ramiza, Burke, Williams & Sorensen noted language amendments to originally proposed resolution due to recent changes in legislation (AB 1434)

Staff and Goldstone Management responded to questions from the City Council

Mayor Phillips invited public comment

Speakers: Bill Carney, Sustainable San Rafael, John Reynolds, Lillian Trac

Paul Goldstone responded to questions from the public

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

Staff responded to questions from the public

Councilmember McCullough responded to comments from the public

Councilmember McCullough moved and Councilmember Colin seconded to adopt the Resolution as amended to add the the following two recitals:

WHEREAS, recently enacted AB 1486 amends the Surplus Lands Act to require that, except where property is considered "exempt surplus land," a local agency, including a city, disposing of real property not needed for certain narrowly defined agency uses, must first offer the property for sale to housing sponsors, school districts and parks districts for affordable housing, educational purposes or parks purposes, as applicable;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of San Rafael as follows:

2. The City Council hereby finds that the property subject to the ENA is "exempt surplus land" as defined in Section 54221(f)(1)(F) because the potential transaction contemplated by the ENA will necessarily involve the exchange of City's land for another property for the City's use in that Developer will be required to develop a new replacement garage and convey back to City a real property interest to ensure the public's right to use the replacement public parking spaces.

Minutes subject to approval at the City Council meeting of December 2, 2019

RESOLUTION 14742 - RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT TO NEGOTIATE EXCLUSIVELY WITH GOLDSTONE MANAGEMENT INC. REGARDING REDEVELOPMENT OF 1009 AND 1001 FOURTH STREET, 924-926 THIRD STREET, AND THE THIRD STREET AND LOOTENS PLAZA PARKING GARAGE

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

**b. East San Rafael Parking Study
Report on Initial Implementation of the East San Rafael Parking Study (PW)
[East San Rafael Parking Study](#)**

Deputy Public Works Director Rafat Raie presented the staff report along with W-Trans consultant Mark Spencer

Staff and W-Trans responded to questions from the City Council

Mayor Phillips invited public comment

Speakers: Joanne Webster, San Rafael Chamber of Commerce President, Kate Sprague, Dave Bonfilio, Lillian Trac, Ross Bishop, John Reynolds, Darlin Ruiz Moreno

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

Staff and W-Trans responded to questions from the City Council. The City Council provided comments

Councilmember Bushey moved and Councilmember McCullough seconded to accept the report and provided feedback to staff to return to the City Council with information on a Permit Program, to perform additional outreach to landlords, and to increase enforcement

Accepted report with feedback

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

**c. Year-End Financial Statements and Related Audit Reports
Fiscal Year 2018-2019 Annual Financial Report; Gann Appropriations Limit;
Memorandum on Internal Control; and the Child Development Program
(Childcare) Financial Report (Fin)
[Year-End Financial Statements and Related Audit Reports](#)**

Finance Director Nadine Hade presented the staff report and introduced Katherine Yuen of Maze & Associates who provided comments

Minutes subject to approval at the City Council meeting of December 2, 2019

Mayor Phillips invited public comment; however, there was none

Councilmember Gamblin moved and Councilmember Bushey seconded to accept the reports

Accepted reports

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

- d. **Local 1021 - Child Care Unit Memorandum of Understanding Resolution Approving the Memorandum the Understanding Between the City and SEIU Local 1021 - Child Care Unit Pertaining to Compensation and Working Conditions (November 1, 2019 Through October 31, 2021) (HR)**
[SEIU Local 1021 - Child Care Unit Memorandum of Understanding](#)

Assistant City Manager Cristine Alilovich presented the staff report

Mayor Phillips invited public comment; however, there was none

Councilmember McCullough moved and Councilmember Gamblin seconded to adopt the Resolution

RESOLUTION 14743 - RESOLUTION APPROVING THE MEMORANDUM THE UNDERSTANDING BETWEEN THE CITY AND SEIU LOCAL 1021 – CHILD CARE UNIT PERTAINING TO COMPENSATION AND WORKING CONDITIONS (NOVEMBER 1, 2019 THROUGH OCTOBER 31, 2021)

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

- e. **Third Street Rehabilitation - Contract for Design and Environmental Services Resolution Approving and Authorizing the City Manager to Execute a Professional Services Agreement with CSW/Stuber-Stroeh Engineering Group, Inc. for Engineering Design and Environmental Clearance Services Associated with the Third Street Rehabilitation Project In An Amount Not to Exceed \$925,782 (PW)**
[Third Street Rehabilitation - Contract for Design and Environmental Services](#)

Public Works Director Bill Guerin presented the staff report

Mayor Phillips invited public comment

Bill Carney, Sustainable San Rafael

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

Minutes subject to approval at the City Council meeting of December 2, 2019

Councilmember Colin moved and Councilmember Gamblin seconded to adopt the Resolution

RESOLUTION 14744 - RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH CSW/STUBER-STROEH ENGINEERING GROUP, INC. FOR ENGINEERING DESIGN AND ENVIRONMENTAL CLEARANCE SERVICES ASSOCIATED WITH THE THIRD STREET REHABILITATION PROJECT IN AN AMOUNT NOT TO EXCEED \$925,782

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

COUNCILMEMBER REPORTS / REQUESTS FOR FUTURE AGENDA ITEMS:

8. Councilmember Reports:

- Councilmember Colin reported on Marin Transit District approving the purchase of a bus storage site
- Councilmember Gamblin requested an update on e-cigarettes and vaping
- Councilmember Bushey reported that Central Marin Sanitation Agency (CMSA) entered into an agreement to allow Marin Airporter to park buses in construction yard overnight
- Mayor Phillips reported on phase 2 of the SMART to Larkspur extension

SAN RAFAEL SUCCESSOR AGENCY:

- 1. Consent Calendar: - None.**

ADJOURNMENT:

Mayor Phillips closed the meeting in honor and memory of Gary Frugoli, former City Councilmember, and adjourned to Closed Session at 10:04 p.m.

LINDSAY LARA, City Clerk

APPROVED THIS _____ DAY OF _____, 2019

GARY O. PHILLIPS, Mayor

In the City Manager's Conference Room of the City of San Rafael, Monday, November 18, 2019



Special Meeting

San Rafael City Council

Minutes

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

Absent: Councilmember Bushey

Also Present: City Manager Jim Schutz
City Clerk Lindsay Lara
Traffic Engineer Lauren Davini

Mayor Phillips called the meeting to order at 5:04 p.m.

- 1. Bicycle and Pedestrian Advisory Committee Interviews Interview Applicants and Consider Appointments to Fill Three Four-Year Terms and One Alternate Four-Year Term on the Bicycle and Pedestrian Advisory Committee to the End of November 2023 Due to the Expiration of Terms of Marc Solomon, Philip Mooney, Jim Geraghty and Alternate Member Barry Bergman (CC)**
[Bicycle and Pedestrian Advisory Committee Interviews](#)

The City Council interviewed the following applicants: Andrew Cullen, Anne Coyne, Jim Geraghty, Marc Solomon, Philip Mooney and Barry Bergman.

Councilmember Gamblin moved and Councilmember McCullough seconded to approve the reappointment of Philip Mooney and Marc Solomon to the end of November 2023; Appointment of Barry Bergman to the end of November 2023 as a full member; Appointment of Anne Coyne as Alternate Member to the end of November 2023; and Appointment of Jim Geraghty as Alternate Member to the end of November 2023

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

ADJOURNMENT:

Mayor Phillips adjourned the meeting at 6:02 p.m.

LINDSAY LARA, City Clerk

APPROVED THIS _____ DAY OF _____, 2019

GARY O. PHILLIPS, Mayor



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Attorney

Prepared by: Lisa Goldfien, Assistant City Attorney City Manager Approval:

TOPIC: AGENCY REPORT OF PUBLIC OFFICIALS 2020

**SUBJECT: ADOPTION OF AGENCY REPORT OF PUBLIC OFFICIALS APPOINTMENTS
(FPPC FORM 806)**

RECOMMENDATION:

Adopt Form 806, Agency Report of Public Official Appointments, and direct staff to publish it to the City website.

BACKGROUND:

In 2011, the Fair Political Practices Commission (FPPC) initiated enforcement actions in some cities against certain City Councilmembers who had participated in City Council decisions to appoint themselves to paid positions on the boards of external entities (e.g., a Joint Powers Authority governing board), where the compensation they received as a result of their appointment equaled or exceeded \$250 within a 12-month period. Under then-existing FPPC Regulation 18705.5, these decisions resulted in a material financial effect on the personal finances of the appointees and the councilmembers should not have participated in the votes.

To avoid this type of inadvertent violation of conflict of interest rules in the future, a number of cities petitioned the FPPC to amend Regulation 18705.5 to provide a mechanism that would provide disclosure of such interests to the public while still allowing councilmembers to participate in the vote on appointments.

In March 2012, the FPPC amended the regulation to state that councilmembers may participate in a decision to appoint themselves to a position on a public agency board, commission or JPA that will result in additional compensation to them, subject to conditions stated in the regulation. One of these conditions is that the City Council must first have adopted and posted on the city's website a form, now designated as Form 806.

ANALYSIS:

Under the revised regulation, City Council adoption and posting of a proper Form 806 will avoid possible conflicts of interest for City Councilmembers when they participate in appointing themselves to board positions for which a stipend is paid that will equal or exceed \$250 within any 12-month period. If the form is properly approved and published, all City Councilmembers can participate in the appointment, even those who are being appointed and will receive the stipend.

FOR CITY CLERK ONLY

Council Meeting: _____

Disposition: _____

Form 806 identifies each position the City Council appoints for which compensation is paid, the salary or stipend for each position, and the name of each official who has been appointed as the agency's representative, or alternate. Because the purpose of the new regulation is to address the issue of councilmembers voting to give themselves additional compensation, Form 806 is intended to include only those appointments to boards and commissions that are made by the City Council itself.

There is only one board appointment the San Rafael City Council makes for which a stipend is paid that will equal or exceed \$250 within any 12-month period. The appointees to the San Rafael Sanitation District Board each receive a stipend of \$100 per meeting attended, for meetings scheduled 12 times per year. Staff has prepared the attached Form 806 showing the City Council appointees and alternate.

Form 806 must be posted on the City's website and would have to be amended and reposted if there is any change in the compensation or number of meetings, or if a new appointment is made to the San Rafael Sanitation District Board, or to any other board or commission position for which qualifying compensation is to be paid. When a new appointment is made that would require Form 806 to be amended, members of the City Council notify the City Clerk's Office of the change, and the City Clerk's office amends and reposts the Form 806 on the City's website.

Staff is completing the City Council Appointments list for 2020 and will bring the final draft to the City Council for review on Monday, December 16, 2019. The appointments to San Rafael Sanitation District Board will not be changed from 2019 to 2020.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

RECOMMENDED ACTION:

Adopt Form 806, Agency Report of Public Official Appointments, and direct staff to publish it to the City's website.

ATTACHMENTS:

1. Form 806

Agency Report of: Public Official Appointments

A Public Document

1. Agency Name			California Form 806
Division, Department, or Region <i>(If Applicable)</i>			For Official Use Only
Designated Agency Contact <i>(Name, Title)</i>			
Area Code/Phone Number	E-mail	Page _____ of _____	Date Posted: <i>(Month, Day, Year)</i>

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>

3. Verification

I have read and understand FPPC Regulation 18702.5. I have verified that the appointment and information identified above is true to the best of my information and belief.

Signature of Agency Head or Designee Print Name Title (Month, Day, Year)

Comment: _____

Background

This form is used to report additional compensation that officials receive when appointing themselves to positions on committees, boards, or commissions of another public agency or to a committee or position of the agency of which the public official is a member.

This form is required pursuant to FPPC Regulation 18702.5. Each agency must post on its website a single Form 806 which lists all the paid appointed positions to which an official will vote to appoint themselves. When there is a change in compensation or a new appointment, the Form 806 is updated to reflect the change. The form must be updated promptly as changes occur.

Instructions

This form must be posted prior to a vote (or consent item) to appoint a governing board member if the appointee will participate in the decision and the appointment results in additional compensation to the appointee.

FPPC Regulation 18702.5 provides that as long as the public is informed prior to a vote, an official may vote to hold another position even when the vote results in additional compensation.

Part 1. Agency Identification

Identify the agency name and information on who should be contacted for information.

Part 2. Appointments

Identify the name of the other agency, board or commission. List the name of the official, and an alternate, if any.

List the appointment date and the length of term the agency official will serve. Disclose the stipend provided per meeting and the estimated annual payment. The annual salary is an estimate as it will likely vary depending upon the number of meetings. It is not necessary to revise the estimate at the end of the calendar year.

Part 3. Verification

The agency head or his/her designee must sign the verification.

Frequently Asked Questions (FAQs)

1. When does an agency need to complete the Form 806?

A Form 806 is required when an agency's board members vote to appoint a board member to serve on another governmental agency or position of the agency of which the official is a member and will receive additional compensation.

2. The city council votes to serve as the city's housing authority, a separate entity. Will the Form 806 be required?

If the council members receive additional compensation for serving on the housing authority, the Form 806 is required.

3. Are appointments made by a governing board to appoint one of its members to serve as an officer of that board for additional pay (e.g., mayor) required to be disclosed on Form 806?

No. FPPC Regulation 18702.5(b)(6) exempts from this requirement decisions to fill a position on the body of which the official is a member (such as a councilmember being appointed as mayor) despite an increase in compensation.

4. In determining the income, must the agency include mileage reimbursements, travel payments, health benefits, and other compensation?

No. FPPC Regulation 18702.5 requires only the amount of the stipend or salary to be reported.

5. Which agency must post the Form 806?

The agency that is voting to appoint a public official must post the Form 806 on its website. The agency that the official will serve as a member is not required to post the Form 806. The form is not sent to the FPPC.

6. When must the Form 806 be updated?

The Form 806 should be amended promptly upon any of the following circumstances: (1) the number of scheduled meetings is changed, (2) there is a change in the compensation paid to the members, (3) there is a change in membership on the board or commission, or (4) there is a new appointment to a new agency.

7. If officials choose to recuse themselves from the decision and leave the room when a vote is taken to make an appointment, must the Form 806 be completed?

No. The Form 806 is only required to identify those officials that will vote on an appointment in which the official will also receive additional compensation.

Privacy Information Notice

Information requested by the FPPC is used to administer and enforce the Political Reform Act. Failure to provide information may be a violation subject to penalties. All reports are public records available for inspection and reproduction. Direct questions to FPPC's General Counsel, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, CA 95811.

**Agency Report of:
Public Official Appointments
Continuation Sheet**

1. Agency Name

Date Posted: _____
(Month, Day, Year)

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>
	▶ Name _____ <i>(Last, First)</i> Alternate, if any _____ <i>(Last, First)</i>	▶ _____/_____/_____ <i>Appt Date</i> ▶ _____ <i>Length of Term</i>	▶ Per Meeting: \$ _____ ▶ Estimated Annual: <input type="checkbox"/> \$0-\$1,000 <input type="checkbox"/> \$2,001-\$3,000 <input type="checkbox"/> \$1,001-\$2,000 <input type="checkbox"/> _____ <i>Other</i>

4.c Dominican Sisters Lourdes Convent – Transitional Housing Use

Resolution Approving a Use Permit Amendment (UP19-039) to Permit the Continued Use of the “Yellow Hallway” Area of the Lourdes Convent as a Single Residential Unit for Transitional Housing in Perpetuity at 77 Locust Avenue (APN 015-112-23) (CD)

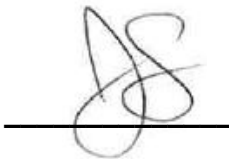
Recommended Action – Continue to 12/16/2019 City Council Meeting for a Public Hearing



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Fire Department

Prepared by: Christopher Gray, Fire Chief

City Manager Approval: 

TOPIC: FIRE PREVENTION GRANT APPLICATION

SUBJECT: RESOLUTION APPROVING THE FILING OF AN APPLICATION FOR THE CALIFORNIA CLIMATE INVESTMENT FIRE PREVENTION GRANT PROGRAM

RECOMMENDATION:

Adopt a resolution approving the filing of an application for the California Climate Investment Fire Prevention Grant Program.

EXECUTIVE SUMMARY:

Through the [California Climate Investments Fire Prevention Grant Program](#), the California Department of Forestry and Fire Prevention (CAL FIRE) allocated up to \$49.7 million to support communities in their efforts to reduce the risk of wildland fires to habitable structures and communities, while maximizing carbon sequestration in healthy wildland habitat and minimizing the uncontrolled release of emissions emitted by wildfires. This grant funding opportunity provides funding for local projects and activities that address the risk of wildfire and reduce wildfire potential to forested and forest adjacent communities near State Responsibility Areas (SRA). Specifically, activities funded by this grant include the following: hazardous fuel reduction, fire planning, and fire prevention education with an emphasis on improving public health and safety while reducing greenhouse gas emissions.

As part of the application process, a resolution approving the filing of an application for the grant program is required. If the City is selected to receive an award, staff will utilize those funds to help improve the City's Vegetation Management and Fire Prevention programs. The grant application will request approximately \$75,000 to supplement the current Vegetation Management and Fire Prevention budget. Matching funds from the City are not required, and a 12 percent allowance is provided for administrative services relating to the grant.

BACKGROUND:

As part of their Fiscal Year 2019-20 Budget, the State of California allocated up to \$49.7 million to Forest Health and Fire Prevention Programs, administered by the State Department of Forestry and Fire

FOR CITY CLERK ONLY

File No.: _____

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Disposition: _____

Protection (CAL FIRE). CAL FIRE's California Climate Investment Fire Prevention Grant Program provides funding for local projects reducing wildfire potential and spread, including hazardous fuel reduction, fire prevention education, and fire prevention planning. The Fire Prevention Grant presents an opportunity to expand the City of San Rafael's current vegetation management capabilities by allowing for more strategic and data-driven planning decisions.

The Fire Department has identified the need for increased fire prevention planning activities to assist the City. Specifically, parcel-level mapping and wildland fire fuel analysis are needed throughout its service area. Geo-imaging vendors would provide this service via topographical reconnaissance of City parkland and open space, allowing for identification of vegetation coverage, species, and health. This, in turn, would allow the Department to make better decisions about how to prioritize fuel reduction projects throughout the City.

Additionally, parcel-level mapping and wildland fire fuel analysis would assist with all-hazard disaster planning and sustainability efforts. In October 2019, PG&E shut off power to almost all of Marin County under [Public Safety Power Shutoff](#) (PSPS) conditions, and major portions of the City are vulnerable to flooding and the impacts of sea level rise. The fire prevention planning activities in the City's grant application would allow the City to better target its limited resources for achieving resiliency and grid hardening – including battery pack infrastructure upgrades and microgrid analysis. Evacuation route planning, including maintenance and education, also could be better prioritized based on risk.

ANALYSIS:

By adopting the attached resolution, the City Council would affirm their support of the grant application to CAL FIRE, which will allow for the Fire Department to submit a grant application to support additional fuel reduction and fire prevention efforts in San Rafael. The resolution is a requirement for the grant application, which must be submitted on or before the December 4, 2019 deadline. Notice of project selection will occur in March 2020, with grant agreements completed before August 31, 2020. Work can be started immediately upon the grant agreement finalization. Work covered by the grant must be completed by March 15, 2024. The grant would support improved fire prevention planning for vegetation management, hazardous fuel reduction, and improved fire prevention without additional costs to the City. Grant funds would help complete fuel reduction in areas not previously treated, as well as provide maintenance in areas previously benefitting from fuel reduction efforts.

COMMUNITY OUTREACH:

As the grant application process moves forward, City staff will connect with stakeholders accordingly, including notification in the event of a grant award as well as limitations – geographic and otherwise – of allowable projects utilizing grant funding. Fuel reduction project status will be shared with the community to illustrate the ongoing efforts to reduce wildfire risk.

FISCAL IMPACT:

There is no fiscal impact associated with this item; formal adoption of the resolution simply approves the grant application submission. The grant request is expected to be approximately \$75,000.

Existing appropriated monies dedicated to Vegetation Management will support high-priority work to be completed prior to the start of the grant performance period. Grant funds cannot and will not supplant current funding sources and budgeted projects. Once the grant application is approved, and a grant agreement is completed, the City will become eligible to begin the fire prevention projects as described in the grant application.

Payment of grant funds will generally be through reimbursement from the State upon approval of invoices San Rafael submits. City funds outside the existing budget may be temporarily expended to pay for completed work prior to receiving grant reimbursement from the State. Advanced payments of up to 25 percent of the total grant award may be requested and approved at the discretion of CAL FIRE.

OPTIONS:

The City Council has the following options to consider on this matter:

1. Adopt the resolution approving filing a California Climate Investment Fire Prevention Grant Program application.
2. Adopt the resolution with modifications and/or future requests.
3. Direct staff to return with more information.
4. Take no action.

RECOMMENDED ACTION:

Adopt a resolution approving the filing of an application for the California Climate Investment Fire Prevention Grant Program.

ATTACHMENT:

1. Resolution

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL, STATE OF CALIFORNIA APPROVING THE FILING OF AN APPLICATION FOR THE CALIFORNIA CLIMATE INVESTMENT FIRE PREVENTION GRANT PROGRAM

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California Climate Investment, which provides funds to the State of California and its political subdivisions for fire prevention programs; and

WHEREAS, the State Department of Forestry and Fire Protection (CAL FIRE) has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies, non-profit organizations, and others under the program; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out the San Rafael Open Space Fire Prevention Planning project;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of San Rafael:

1. Approves the filing by the City of San Rafael of an application for “California Climate Investment Fire Prevention Grant Program”; and
2. Certifies that said applicant has or will have sufficient funds to operate and maintain the project; and
3. Certifies that funds under the jurisdiction of the City of San Rafael are available to begin the project; and
4. Certifies that said applicant will expend grant funds prior to March 15, 2024; and
5. Appoints the Fire Chief, or a designee, to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

CERTIFICATION OF RESOLUTION

ATTEST:

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the San Rafael City Council held on Monday the 2nd day of December 2019 by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

LINDSAY LARA, City Clerk



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

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

City Manager Approval:

TOPIC: FRANCISCO BLVD. WEST MULTI-USE PATH 2nd ST TO RICE DR FUNDING

SUBJECT: RESOLUTION REQUESTING THE METROPOLITAN TRANSPORTATION COMMISSION FOR THE ALLOCATION OF FISCAL YEAR 2019/2020 AND 2020/2021 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 PEDESTRIAN/BICYCLE PROJECT FUNDING

RECOMMENDATION: Adopt the resolution.

BACKGROUND:

On June 26, 2019 the Transportation Authority of Marin (TAM) issued a call for projects for Transportation Development Act (TDA) Article 3 funding. TDA Funds are dedicated annually towards bicycle and pedestrian projects. The City submitted an application requesting \$568,000 for engineering and construction related to the Francisco Blvd. West Multi-Use Pathway Phase II (MUP). This project extends the current MUP from Andersen to Rice Drive that was completed in July of 2019 from Rice Drive to Second Street.

On October 24, 2019, the TAM Board of Commissioners approved \$308,000 in TDA funds for fiscal year 2019/2020 and an additional estimated \$260,000 for fiscal year 2020/2021 for a total funding of \$568,000 for the MUP. While the TAM Board of Commissioners has approved this \$568,000 in funding for San Rafael, the Metropolitan Transportation Commission (MTC) must also approve these funds before they will be allocated. Before MTC will approve these funds, MTC is requiring the San Rafael City Council to adopt a resolution accepting the funds. The attached resolution (Attachment 1), has been provided by MTC and sets forth conditions of the funding which the City must follow to maintain eligibility for the funds. These conditions are the same as previous year TDA funding and the City is currently and will continue to remain compliant.

ANALYSIS:

The TDA funds will allow the City to continue value engineering Phase II of the project in order to ensure the future design best leverages current funding. In addition to the \$568,000 TDA funds, the City was awarded \$1.2 million dollars in Urban Green Grant funds from the California Natural Resources Agency. The City was also recently awarded \$400,000 from TAM through the Safe Pathways to School program. The Safe to School program, funded by Measure AA, funds construction projects that make the commute to school safer. Phase I of the MUP project from

FOR CITY CLERK ONLY

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SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

Andersen to Rice Dr, was completed within budget, resulting in a carryover fund balance of \$267,086 to Phase II. These funding sources will total \$2,435,486 as listed in Table 1.

Table 1. Francisco Blvd. West Multi-Use Pathway Phase II Funding Sources

Funding Source	Totals
TDA Article 3 (FY19/20 and 20/21)	\$568,400
CNRC Urban Greening Grant	\$1,200,000
TAM Safe Pathways Grant	\$400,000
Remaining Phase 1 Balance	\$267,086
Total	\$2,435,486

FISCAL IMPACT:

The City will receive additional funding of \$568,000 to be allocated towards the MUP Phase II project. No matching funds are required to receive these funds.

OPTIONS: The City Council may choose to:

1. Approve the Resolution as presented, authorizing the request to the Metropolitan Transportation Commission for the allocation of fiscal year 2019/2020 and 2020/2021 Transportation Development Act Article 3 pedestrian/bicycle project funding.
2. Reject the Resolution as presented. The Council may choose to not authorize the request to the Metropolitan Transportation Commission for the allocation of fiscal year 2019/2020 and 2020/2021 Transportation Development Act Article 3 pedestrian/bicycle project funding, which would reduce funding for the MUP project.

RECOMMENDED ACTION: Approve the Resolution to authorize the request to the Metropolitan Transportation Commission for the allocation of fiscal year 2019/2020 and 2020/2021 Transportation Development Act Article 3 pedestrian/bicycle project funding.

ATTACHMENTS:

1. Resolution
2. Attachment A to Resolution: Findings
3. Attachment B to Resolution: TDA Article 3 Project Application Form

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL REQUESTING THE METROPOLITAN TRANSPORTATION COMMISSION FOR THE ALLOCATION OF FISCAL YEAR 2019/2020 AND 2020/2021 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 PEDESTRIAN/BICYCLE PROJECT FUNDING

WHEREAS, Article 3 of the Transportation Development Act (TDA), Public Utilities Code (PUC) Section 99200 et seq., authorizes the submission of claims to a regional transportation planning agency for the funding of projects exclusively for the benefit and/or use of pedestrians and bicyclists; and

WHEREAS, the Metropolitan Transportation Commission (MTC), as the regional transportation planning agency for the San Francisco Bay region, has adopted MTC Resolution No.4108, entitled "Transportation Development Act, Article 3, Pedestrian and Bicycle Projects," which delineates procedures and criteria for submission of requests for the allocation of "TDA Article 3" funding; and

WHEREAS, MTC Resolution No. 4108 requires that requests for the allocation of TDA Article 3 funding be submitted as part of a single, countywide coordinated claim from each county in the San Francisco Bay region; and

WHEREAS, the City of San Rafael desires to submit a request to MTC for the allocation of TDA Article 3 funds to support the projects described in Attachment "B" to this resolution, which are for the exclusive benefit and/or use of pedestrians and/or bicyclists;

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

1. That the City of San Rafael declares it is eligible to request an allocation of TDA Article 3 funds pursuant to Section 99234 of the Public Utilities Code.
2. That there is no pending or threatened litigation that might adversely affect the project or projects described in Attachment "B" to this resolution, or that might impair the ability of the City of San Rafael to carry out the project.
3. That the project has been reviewed by the City of San Rafael Bicycle Pedestrian Advisory Committee.

4. That the City Council of San Rafael attests to the accuracy of and approves the statements in Attachment "A" to this resolution.

5. That a certified copy of this resolution and its attachments, and any accompanying supporting materials shall be forwarded to the congestion management agency, countywide transportation planning agency, or county association of governments, as the case may be, of the County of Marin for submission to MTC as part of the countywide coordinated TDA Article 3 claim.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday, the 2nd day of December 2019 by the following vote, to wit:

AYES: **COUNCILMEMBERS:**

NOES: **COUNCILMEMBERS:**

ABSENT: **COUNCILMEMBERS:**

LINDSAY LARA, City Clerk

RESOLUTION NO. _____

Attachment A

Re: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL REQUESTING THE METROPOLITAN TRANSPORTATION COMMISSION FOR THE ALLOCATION OF FISCAL YEAR 2019/2020 and 2020/2021 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 PEDESTRIAN/BICYCLE PROJECT FUNDING

Findings Page 1 of 1

1. That the City of San Rafael is not legally impeded from submitting a request to the Metropolitan Transportation Commission for the allocation of Transportation Development Act (TDA) Article 3 funds, nor is the City of San Rafael legally impeded from undertaking the project(s) described in Attachment “B” of this resolution.
2. That the City of San Rafael has committed adequate staffing resources to complete the project(s) described in Attachment “B”.
3. A review of the project(s) described in Attachment “B” has resulted in the consideration of all pertinent matters, including those related to environmental and right-of-way permits and clearances, attendant to the successful completion of the project(s).
4. Issues attendant to securing environmental and right-of-way permits and clearances for the projects described in Attachment “B” have been reviewed and will be concluded in a manner and on a schedule that will not jeopardize the deadline for the use of the TDA funds being requested.
5. That the project(s) described in Attachment “B” comply with the requirements of the California Environmental Quality Act (CEQA, Public Resources Code Sections 21000 et seq.).
6. That as portrayed in the budgetary description(s) of the project(s) in Attachment “B”, the sources of funding other than TDA are assured and adequate for completion of the project(s).
7. That the project(s) described in Attachment “B” are for capital construction and/or design engineering; and/or for the maintenance of a Class I bikeway which is closed to motorized traffic; and/or for the purposes of restriping Class II bicycle lanes; and/or for the development or support of a bicycle safety education program; and/or for the development of a comprehensive bicycle and/or pedestrian facilities plan, and an allocation of TDA Article 3 funding for such a plan has not been received by the City of San Rafael within the prior five fiscal years.
8. That the project(s) described in Attachment “B” is included in a locally approved bicycle, pedestrian, transit, multimodal, complete streets, or other relevant plan.
9. That any project described in Attachment “B” that is a bikeway meets the mandatory minimum safety design criteria published in Chapter 1000 of the California Highway Design Manual.
10. That the project(s) described in Attachment “B” will be completed before the funds expire.
11. That the City of San Rafael agrees to maintain, or provide for the maintenance of, the project(s) and facilities described in Attachment “B”, for the benefit of and use by the public.

RESOLUTION NO. _____

Attachment B

Page 1 of 1

TDA Article 3 Project Application Form

Fiscal Year of this Claim: 2019/2020 and 2020/2021 Applicant: City of San Rafael

Contact person: Hunter Young

Mailing Address: 111 Morphew St, San Rafael CA 94901

E-Mail Address: hunter.young@cityofsanrafael.org Telephone: 415-485-3408

Secondary Contact (in event primary not available) Thomas Wong

E-Mail Address: thomas.wong@cityofsanrafael.org Telephone: 415-458-5360

Short Title Description of Project: Francisco Blvd West Multi-Use Pathway 2nd Street to Rice Drive

Amount of claim: \$568,000

Functional Description of Project:

The Francisco Blvd West Multi-Use Pathway (MUP) 2nd Street to Rice Drive is a gap-closure project that is intended to connect the San Rafael Transit Center with the existing Cal Park Hill Tunnel Pathway and nearby Larkspur Ferry Terminal. The projects would help link and improve the main north-south pathway corridor in the Marin. The multi-use pathway from Andersen to Rice has been completed and this is the final gap between the north-south greenway in Southern Marin and the San Rafael Transit Center. The MUP would create a safe accessible route for pedestrians and bicyclist to access transit centers, offices/commercial centers, and schools in the area. The project has an estimated completion date of fall of 2020.

List the project elements for which TDA funding is being requested (e.g., planning, engineering, construction, contingency). Use the table below to show the project budget for the phase being funded or total project. Include prior and proposed future funding of the project. Planning funds may only be used for comprehensive bicycle and pedestrian plans. Project level planning is not an eligible use of TDA Article 3.

Project Elements: TDA funding will be used for engineering and construction.

Funding Source	All Prior FYs	Application FY	Next FY	Following FYs	Totals
TDA Article 3	0	308,400	260,000	0	568,400
list all other sources:					
1. CNRC Urban Green	1,200,000				1,200,000
2. TAM Safe Pathways		400,000			400,000
3. TAM Phase 1	267,086				
Balance					
Totals	1,467,000	708,400	260,000	0	2,435,486

Project Eligibility:	YES?/NO?
A. Has the project been approved by the claimant's governing body? (If "NO," provide the approximate date approval is anticipated).	YES
B. Has this project previously received TDA Article 3 funding? If "YES," provide an explanation on a separate page.	NO
C. For "bikeways," does the project meet Caltrans minimum safety design criteria pursuant to Chapter 1000 of the California Highway Design Manual? (Available on the internet via: http://www.dot.ca.gov).	YES
D. Has the project been reviewed by a Bicycle Advisory Committee (BAC)? (If "NO," provide an explanation). Enter date the project was reviewed by the BAC: <u>June 6, 2018</u>	YES
E. Has the public availability of the environmental compliance documentation for the project (pursuant to CEQA) been evidenced by the dated stamping of the document by the county clerk or county recorder? (required only for projects that include construction).	YES
F. Will the project be completed before the allocation expires? Enter the anticipated completion date of project (month and year) <u>12/2020</u>	YES
G. Have provisions been made by the claimant to maintain the project or facility, or has the claimant arranged for such maintenance by another agency? (If an agency other than the Claimant is to maintain the facility provide its name: _____)	YES



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Economic Development

**Prepared by: Simon Vuong
Economic Development Coordinator**

City Manager Approval: _____

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

**TOPIC: SAN RAFAEL DOWNTOWN BUSINESS IMPROVEMENT DISTRICT (BID)
ASSESSMENT ANNUAL RENEWAL**

**SUBJECT: RESOLUTION APPROVING THE DOWNTOWN SAN RAFAEL BUSINESS
IMPROVEMENT DISTRICT ASSESSMENT FOR CALENDAR YEAR 2020**

RECOMMENDATION:

Hold Public Hearing, accept public comment, and if no majority protest has been received adopt resolution approving the annual assessment for the Downtown San Rafael Business Improvement District.

BACKGROUND:

[Section 36500](#) of the California Streets and Highways Code allows for the creation of a business improvement district (BID) within a municipality, whereby businesses within the district self-assess an annual fee in order to pay for improvements and activities which benefit the overall business district. The intent of the state law is to provide a funding mechanism for business districts to promote economic vitality. San Rafael Municipal Code [10.09.080](#) requires a report to be prepared annually for upcoming assessments.

Businesses in Downtown San Rafael first set up a business district in [1979](#). This original district included approximately 125 businesses along Fourth Street between Lincoln Avenue and E Street. In 2013, the City Council [voted](#) to replace it with a larger district of approximately 700 businesses along Fourth Street. The expanded district includes the West End and some side streets, as well as non-ground floor tenants and other tenants not included in the original BID.

For 2019, the [BID Board of Directors](#) has focused on marketing and communication with their membership and the public. This communication has happened via website updates, email blasts, and social media posts, hosting event information and various BID initiatives. The BID Board has also been actively collaborating with downtown stakeholders, including the Chamber of Commerce and the City, the Downtown San Rafael Arts District (DSRAD), and AIM Farmers Market on various special events and

FOR CITY CLERK ONLY

File No.:

Council Meeting:

Disposition:

initiatives. The Board has also hosted member mixers, continued to work on beautification efforts, promoted BID events. Additionally, the Board has led numerous special events, including Clean & Green Day, May Madness, Spring/Summer Sidewalk Sale, Hops & Vines Stroll, Trick-or-Treat, West End Village Celebration, and Shop Local Saturday. Additional information relating to these efforts is included in the BID 2019 Annual Report (Attachment 2).

ANALYSIS

BID Renewal Process

Per State law, to renew the annual assessment, the City Council must first adopt a Resolution of Intention to Levy an Annual Assessment and set a public hearing for a future date. The method of calculating the amount of the assessment on each business is established by San Rafael Municipal Code Section [10.09.050](#) and varies depending upon the type of business and whether the business is located in the Standard BID Zone or the Premium BID Zone shown in Exhibit B of Attachment 2.

On November 18, 2019 the City Council adopted a Resolution of Intention to Levy an Annual Assessment: This resolution was intended to notify the public of the process, approve the BID annual report reviewing past BID Board accomplishments, and set the date for a public hearing.

Tonight's meeting is to hold the Public Hearing to receive input from the public on the annual assessment for the BID and to confirm the levy of an assessment for the upcoming year. Any protest against the BID assessment must be in writing and from a business in the BID. If the protest received represents fifty percent (50%) or more of the total assessments in the entire BID, no further proceedings to amend the BID can occur. New proceedings cannot be undertaken for a period of at least a year.

BID Advisory Board Appointments

As customary, the Council also approves new BID Advisory Board members as part of the annual report and assessment renewal. The new incoming members recommended for approval with terms expiring by December 2, 2021 include:

- Tobi Lessem, Bodywise Massage
- Elisabeth Setten, Art Works Downtown
- Morgan Schaufler, Youth in Arts
- Ogi Teker, Istanbul Rugs

The existing BID Advisory Board includes:

- Jaime Ortiz, Bank of Marin
- Erika Bowker, Pleasures of the Heart
- Bonnie Ayers Namkung, Bonnie Ayers Namkung Marketing Communications
- Jed Greene, Five Corners Consulting Group
- Adam Dawson, Mike's Bike
- Jeff Brusati, T & B Sports

The BID Board members serve on a voluntary basis; BID Board members have been working hard to improve the geographic, gender and ethnicity representation on the board. The four nominated Advisory Board members before the City Council include women, new businesses and businesses from the West End Village in Downtown.

COMMUNITY OUTREACH:

The BID has notified its members of the annual renewal process through its member communications including the BID e-newsletter, notifications on the BID website, and through agenda items at the monthly BID Board meeting.

FISCAL IMPACT:

Adoption of the resolution does not have a direct fiscal impact on the City other than ongoing staff time related to assessment billing and processing, as well as administration of the annual renewal. To the extent that the BID activities enhance the business climate within the district, this will generate increased sales tax revenue for the City.

OPTIONS:

The City Council has the following options to consider on this matter:

- 1) Adopt the resolution as presented approving the annual assessment for 2019.
- 2) Adopt the resolution with modifications approving the annual assessment for 2019.
- 3) Determine that 50% or more protest has been filed and abandon assessment proceedings for a minimum of one year from the date of the majority finding and decline adoption of the resolution.

RECOMMENDED ACTION:

Adopt the attached resolution.

ATTACHMENTS:

1. Resolution approving annual assessment
2. BID 2019 Annual Report, including:
 - A. Exhibit A: BID Map
 - B. Exhibit B: BID 2019 Assessment Fee
 - C. Exhibit C: BID Budget
 - D. Exhibit D: Memo – BID Financial Summary

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING THE DOWNTOWN SAN RAFAEL BUSINESS IMPROVEMENT DISTRICT ASSESSMENT FOR CALENDAR YEAR 2020

WHEREAS, California Streets and Highways Code Sections 36500 et seq, authorize cities to establish parking and business improvement districts for the purpose of promoting economic revitalization and physical maintenance of business areas, in order to create jobs, attract new business and prevent erosion of the new business district; and

WHEREAS, the Downtown San Rafael Business Improvement District (“BID”) was established in 2013 to amend the existing Parking and Business Improvements District instituted in 1979 in the commercial area on and around the Fourth Street corridor in San Rafael; and

WHEREAS, pursuant to San Rafael Municipal Code Chapter 10.09 the Advisory Board submitted to the City a “BID 2019 Annual Report”, which is on file with the City Clerk; on November 18, 2019, the City Council by resolution approved the BID 2019 Annual Report, indicating the Council’s intention to levy assessments, and setting a public hearing thereon for December 2, 2019; and

WHEREAS, pursuant to Streets and Highways Code Section 36535, following the public hearing, the City Council may adopt a resolution confirming the report as originally filed or as modified by the Council, and the adoption of the resolution shall constitute the levy of an assessment for the year referred to in the report; and

WHEREAS, the City Council held the required public hearing on December 2, 2019 to receive testimony and protests concerning the BID 2019 Annual Report and the proposed levy of assessments for calendar year 2020 described therein; and

WHEREAS, a majority protest of the proposed assessments was not received;

NOW, THEREFORE, BE IT RESOLVED that City Council hereby adopts the levy of assessments as described in the Annual Report for the 2020 calendar year.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council of said City held on Monday, the 2nd day of December 2019, by the following vote, to wit:

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

LINDSAY LARA, City Clerk



BID 2019 Annual Report

BID Board of Directors 2020

President – Erika Bowker
Pleasures of the Heart

Vice President – Adam Dawson
Mike's Bikes

Secretary - Bonnie Ayers Namkung
Marketing & Communications

Treasurer - Jed Greene
Five Corners Group

Directors

Past President - Jaime Ortiz,
Bank of Marin

Jeff Brusati, T & B Sports

Tobi Lessem, Bodywise Massage

Elisabeth Setten, Art Works Downtown

Morgan Schaffler, Youth in Arts

Ogi Teker, Istanbul Rug



2017-2019 Jaime Ortiz

2020 Erika Bowker

President's Message

Dear Fellow BID Members,

The BID Board is happy to present a summary of our 2019 accomplishments. We focused on promoting our Downtown as a great shopping, entertainment, arts and business destination, through new and established events, beautification, our website and marketing campaigns.

Please welcome Erika Bowker, BID board member and co-owner of Pleasures of the Heart, as she takes the reins as board president for 2020. She is also our social media director, as well as a big community booster who will lead the BID with care and enthusiasm.

As I finish my term, I thank you for your support, energy and ideas for moving our Downtown forward. I encourage you to contact Erika or Eda and get involved in improving your community!

Jaime Ortiz, President



2019 ACCOMPLISHMENTS

- **Monthly newsletters & website updates** – highlighted events/presented current content for BID members and public visitors
- **Collaborations** – worked with Downtown San Rafael Arts District (DSRAD), SR Chamber, AIM Farmers Markets, the City Economic Development Dept. and SR City government
- **Member mixers** –presented socials with relevant topics/speakers on beautification, 2040 General Plan and small business development. Thanks to our host businesses!
- **Beautification initiatives** – spearheaded the West End pilot lighting project, Clean & Green Day, and worked with the City on initiatives
- **Pilot art program** – initiated art installation in empty storefront windows
- **Social media director** – board member Erika Bowker actively posts to 3,000+ followers on Instagram and Facebook, multiplying the effects by engaging with Downtown businesses that have social media and email campaigns
- **Meet Your Neighbor** – Sharon Christovich and Bonnie Ayers Namkung created a business profile feature on the BID website to promote community and interaction
- **Downtown/Event promotion** – marketed through print and digital media: BID website, Facebook page, Nextdoor, Marin newspapers, as well as 35+ PR sites and articles. Strategic paid ad boosts on Facebook, coached merchants to feature events on their websites, newsletters and email lists to increase participants and shoppers
- **Parking improvements** - worked with City Parking Department to achieve free weekend parking program in City garages

2019 EVENTS

- **Clean & Green Day** - celebrated Earth Day by giving merchants brooms/dustpans and spearheading 5 groups to spiff up sidewalks, parking meters, trash cans and storefronts
- **31st May Madness** - thousands of visitors enjoyed the 200+ vintage and sports cars
- **Spring & Summer Sidewalk Sales** - April and August events, 65+ participating businesses and hundreds of shoppers discovering treasures, bargains and ringing registers
- **Hops & Vines Stroll** - created new event, exposed hundreds of new shoppers and diners to our unique breweries, taprooms and businesses Downtown. Sold out both participating business locations and public tickets, with 400+ event goers. Mission accomplished!
- **Trick or Treat on Fourth Street** - Sat. Oct. 26, 1-3 p.m., annual Downtown-wide children's event with dancers, pet parade and costume contest by Woodland's Pet Food & Treats
- **West End Village Celebration** - Sun. Nov. 3, 11-7 p.m., for family fun and music, produced for the community to highlight the West End Village and benefit several local nonprofits
- **Shop Local Saturday** - Nov. 24, features ad campaigns highlighting the many reasons to shop and play Downtown. Please plan your Shop Local/Shop Small promotions *now!*

Mission

The Business Improvement District promotes the common interests of downtown business owners. We help maintain and develop a downtown that is a welcoming place to shop, dine, work, live and enjoy.

Vision

Downtown is the cultural heart and soul of our city, where activity, dining entertainment, and commerce blend with creative and entrepreneurial spirit. Downtown is where hometown pride and community thrive.

Block Captains

Adam Dawson, Mike's Bikes
Joanne Vosmek, Copperfield's Books
Bonnie Ayers Namkung, Marketing
Erika Bowker, Pleasures of the Heart
Sharon Christovich, Folk Art Gallery
Jeff Brusati, T & B Sports
Joel Eis, Rebound Bookstore

BID Executive Director

Eda Lochte
info@srbid.org



2020 BID Work Plan

Beautification, Marketing & Promotion

Our efforts will support the economic vitality of downtown by promoting an environment that's clean, safe, welcoming and uniquely engaging. Among our areas of focus:

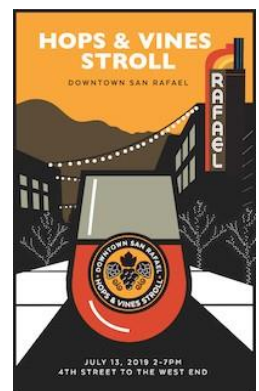
- **Beautification/streetscape** – participate in establishing arts and culture identity to elevate Downtown, advise and advocate for wayfinding signage, lights, murals, landscaping, sidewalk cleaning, etc.
- **Marketing and promotion** – partner to develop downtown map highlighting DSRAD organizations as destinations, carry on with social media outreach and build list to reach more BID and community members. Assist in filling vacant store spaces.
- **Social media and branding** – update Instagram/Facebook, boost event promotions and share member news. Brand the downtown via use of logo and BID website updates, including profiles of downtown businesses, via new Meet Your Neighbor column.

Beautification, Marketing & Promotion – continued...

- **Collaboration** - Cross-promote with the San Rafael Chamber of Commerce and newly formed Downtown San Rafael Arts District (DSRAD)
- **Promote activity/vibrancy** – Continue signature and new events, Shop Local campaign, support expansion of the City’s pilot criss-cross street lighting and outdoor dining programs
- **Support local organizations** – Continue donations as possible, such as 2019 giving to Camp Chance, Terra Linda High School auto repair department, DSRAD, and the San Rafael Downtown Streets Team

2020 Planned Events

We plan to continue our 2019 events, producing our own or assisting with other groups’ signature events through organization, communication, marketing and financial backing. We hope to continue the highly successful new **Hops & Vines Stroll**, which showcased our local breweries, taprooms and unique businesses.



The BID Organization

Our 2020 agenda emphasizes ensuring the BID’s organizational foundation is strong, fiscally responsible and able to promote Downtown to members and the community. Our intention is to:

- **Communicate with members** – continue engagement through routine communications via website, email, newsletters, block captains, mixers, and the annual meeting
- **Add board members and volunteers** – actively recruit committee members and engage prospective board members
- **Raise BID funding** - explore supplemental funding sources through business sponsorship of events and more
- **Collaborate with local groups** – take advantage of partnership with Chamber and DSRAD to expand the BID’s reach and create more visibility and excitement for Downtown.

Learn more about people and events in your neighborhood: DowntownSanRafael.org

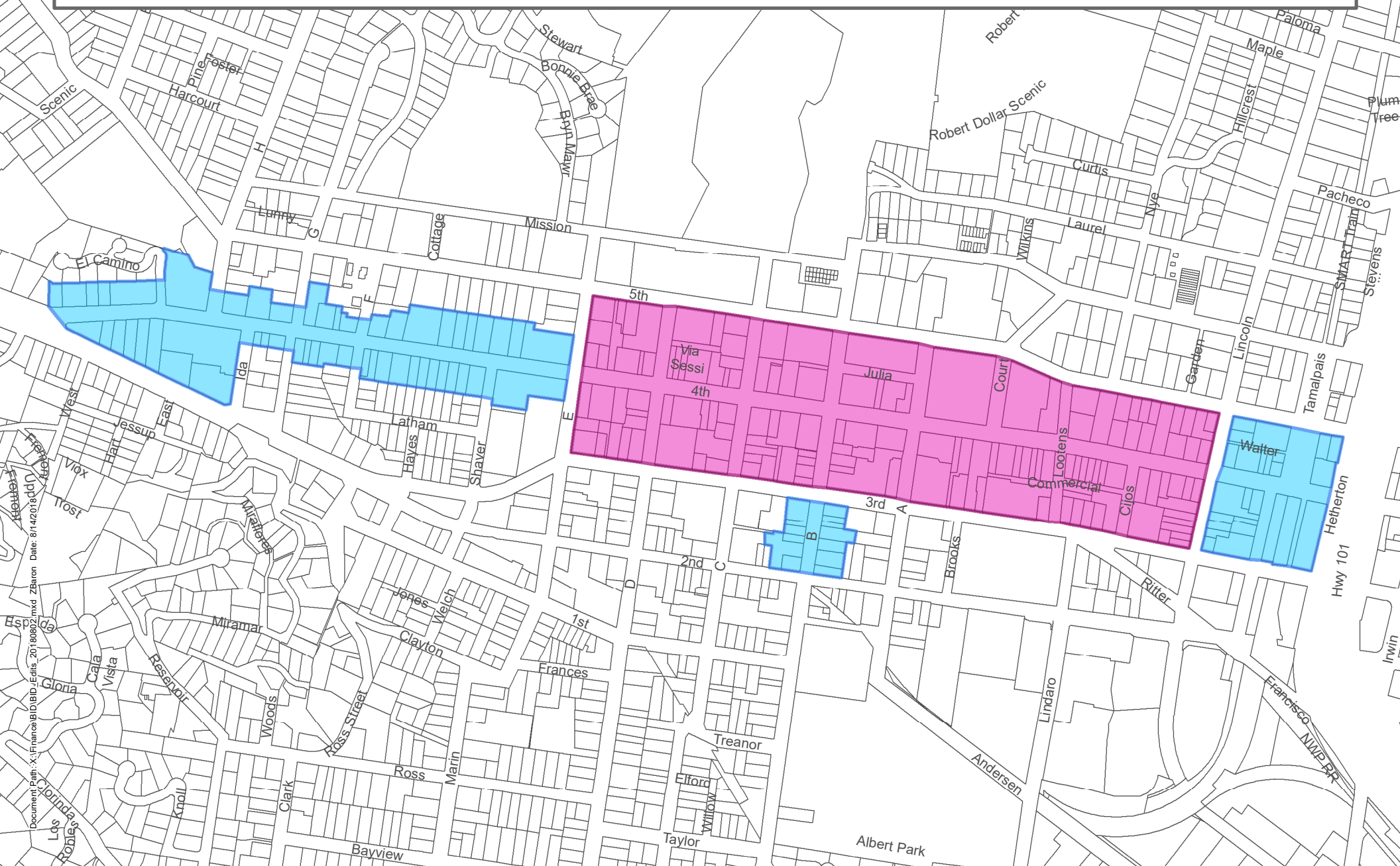


San Rafael Business Improvement District (BID)

14 August 2018

Exhibit A

- PREMIUM BID
- STANDARD BID



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Exhibit B**2019 BID Assessment**

Type of Business	Standard	Premium
Retail on the Ground Floor, Restaurant, Personal Services on the Ground Floor	\$175	\$225
Retail on the Ground Floor, Restaurant, Personal Services on Ground Floor with Less than \$100,000 in Gross Receipts	\$150	\$175
Offices, Professional, Personal Services, not on Ground Floor, Retail not on Ground Floor	\$75	\$100
Personal Services Sole Practitioner	\$25	\$50
Non-Profit Organization and Fine Artists	\$50	\$50
Financial Institution	\$375	\$425

San Rafael Downtown BID Budget

Exhibit C

	2018 Year End Fund Balance	\$50,435	2019 Year End Fund Balance	\$54,248
Revenues	2019 Programs	Year 2019 Estimated Year End	2020 Programs	Year 2020 Proposed Budget
	BID Assessments	\$83,396	BID Assessments	\$83,500
	Event Income - May Madness	\$38,571	Event Income	\$56,000
	Interest	\$6		
Total Operating Income		\$121,973		\$139,500
Expenses				
Events	May Madness	(\$15,044)	May Madness	(\$13,000)
	Trick or Treat	(\$700)	Trick or Treat	(\$700)
	Sidewalk Sales	(\$1,587)	Hops and Vines	(\$12,000)
	West End Celebration	(\$3,517)	Shop Local Saturday	(\$1,000)
	Mixers	(\$171)	West End Celebration	(\$3,000)
	Hops and Vines	(\$2,886)	Sidewalk Sales	(\$1,000)
	Event Staffing	(\$24,613)	Mixers	(\$750)
			West End Events	(\$2,000)
			Event Staffing	(\$30,000)
Events subtotal		(\$48,517)		(\$63,450)
Initiatives	Camp Chance	(\$4,190)	Beautification	(\$10,000)
	Community Donations (from May Madness)	(\$10,000)	Art District	(\$2,500)
	Downtown SR Arts District(DSRAD)	(\$5,000)	Downtown Promotion Initiative	(\$3,000)
			Community Donations (from May Madness)	(\$10,000)
Initiatives subtotal		(\$19,190)		(\$25,500)
Marketing & Promotions	Event Advertising/Marketing	(\$18,730)	Event Advertising/Marketing	(\$22,000)
	Website Maintenance	(\$1,000)	Website Maintenance	(\$2,000)
	BID Member Communication	(\$424)	BID Member Communication	(\$500)
	Social Media	(\$705)	Social Media	(\$4,000)
Marketing & Promotions Subtotal		(\$20,859)		(\$28,500)
Operating Expenses	Staffing	(\$17,902)	Staffing	(\$17,000)
	Insurance	(\$5,736)	Insurance	(\$5,000)
	tele/supplies/office	(\$999)	tele/supplies/office	(\$2,000)
	profess/accounting/banking	(\$4,543)	profess/accounting/banking	(\$1,500)
	meeting/travel exp	(\$181)	meeting/travel exp	(\$1,000)
	other	(\$233)		
Operating Expenses Subtotal		(\$29,594)		(\$26,500)
Total Expenses		(\$118,160)		(\$143,950)
Net Profit/(Loss)		\$3,813		(\$4,450)
Projected 2018 Ending Fund Balance/Carryover to 2019		\$54,248	2020 Ending Fund Balance	\$49,798

*Fund balance does not include Target Fund balance of \$20,962. BID is the custodian of the Target Fund.

Memorandum

To: San Rafael City Council

From: Jed Greene, Treasurer
San Rafael Business Improvement District

Date: October 21, 2019

Re: San Rafael Business Improvement District Financial Summary

This memorandum highlights the significant 2019 financial activity of the San Rafael Business Improvement District (BID) and the 2020 proposed budget.

2019

For 2019, the BID is projected to have a net income of approximately \$3,800, leaving a cash balance of \$54,248.

Proceeds from BID assessments were down approximately 10% in 2018. In 2019, the BID assessments increased and appear to be back to the historic levels. The increase in assessment fees largely contributed to our net income for the year. Our expenses were on budget, with higher expenses related to one of our new events but slightly lower expenses related to marketing and advertising.

The May Madness event continues to be a very successful event for the BID. Absent the allocation of the Executive Director fees, the event generated approximately \$20,000 in profit. Other community members and organizations help operate the event and those contributors, as well as the BID, agreed to donate some of the profit to Camp Chance and the Terra Linda High School auto shop program.

2020

The BID projects to have a cash balance of approximately \$54,000 to begin 2020. With this cash balance, proceeds from the BID assessments and event revenues, the BID plans to host several events Downtown, invest in the beautification of Downtown and continue to work with and help the community around us including the DSRAD (Downtown San Rafael Arts District). As a result, the BID projects to have a net loss of \$4,450, leaving us with a cash balance of \$49,798 at the end of the year.

CITY OF SAN RAFAEL

**NOTICE OF PUBLIC MEETING AND PUBLIC HEARING
BEFORE THE SAN RAFAEL CITY COUNCIL**

The City Council of the City of San Rafael will also hold a public hearing:

DATE/TIME: Monday, December 2, 2019, at 7:00 p.m.

LOCATION: City Council Chambers, City Hall, 1400 Fifth Avenue, San Rafael, CA

PURPOSE: The San Rafael City Council will hold a public hearing to confirm the annual levy of assessment for 2020 for the Downtown San Rafael Business Improvement District. At the public hearing, Council will take the testimony of all interested persons, for or against the assessment. The Council will take testimony on all matters related to the BID, including BID boundaries, activities, budget, businesses included, and assessments and will collect all protests. At the conclusion of the hearing, Council will take action to levy the assessment for the upcoming 2020 calendar year.

A protest against the assessment levy for the BID may be made orally or in writing. To be counted as a part of a majority protest against the levy of the assessment, a protest must be in writing and from a business owner in the BID. Written protests must be filed with the City Clerk, City Hall, 1400 Fifth Avenue, San Rafael, CA 94901 by December 2, 2019, or be submitted at the December 2, 2019 public hearing. If at the conclusion of the public hearing there are written protests on record of business owners within the BID that will pay fifty percent (50%) or more of the total assessments of the entire BID, no further proceedings to levy an assessment shall occur. If the majority written protest is against a specific activity, inclusion of a specific area or type of business, or a specific assessment amount, adjustments may be made to the amendment proposal to eliminate that specific activity, area, business or assessment.

IF YOU CAN NOT ATTEND:

You can send a letter with your comments regarding the above matters to Lindsay Lara, City Clerk, City of San Rafael, 1400 Fifth Avenue, San Rafael, CA, 94901, or you can deliver a letter to the City Clerk prior to the City Council meeting on December 2, 2019.

FOR MORE INFORMATION:

For additional information regarding the above, you can contact Simon Vuong, Economic Development Coordinator with the City of San Rafael at (415) 485-3134. Office hours are Monday – Friday, 8:30 to 5:00 PM.

Lindsay Lara
City Clerk, City of San Rafael



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Community Development

Paul A. Jensen

Prepared by: Paul A. Jensen
Community Development Director
Barry Miller, Consulting Project Mgr.

City Manager Approval:

[Signature]

TOPIC: GENERAL PLAN 2040 / DOWNTOWN PRECISE PLAN

SUBJECT: GENERAL PLAN 2040 PROGRESS REPORT #3 AND RESOLUTION AMENDING RESOLUTION NO. 14426, MODIFYING APPOINTMENTS TO THE GENERAL PLAN 2040 STEERING COMMITTEE (CITY FILE NOS. GPA 16-001 & P16-013)

RECOMMENDATION:

1. Adopt Resolution approving changes to General Plan 2040 Steering Committee membership
2. Accept General Plan Progress Report
3. Provide Direction to Staff on Transportation Policy Issues

EXECUTIVE SUMMARY:

Staff is providing the third Progress Report to the City Council on the General Plan Update. The report is organized into three parts:

1. Part One is a resolution appointing Eleanor Huang as the new Youth Representative to the General Plan 2040 Steering Committee.
2. Part Two is a status report on the General Plan Update, including recently completed tasks and work in progress. City Council feedback on this item is not required, but staff welcomes comments and will be prepared to respond to questions on this material.
3. Part Three is a report on the transportation policy issues that need to be resolved as part of the General Plan Update. The issues relate to the implementation of SB 743, a state law that changes the way California cities and counties measure transportation impacts under the California Environmental Quality Act (CEQA). SB 743 is intended to support the State's climate action goals by reducing dependence on motor vehicles, which are the leading source of greenhouse gases in California. Three specific questions are presented for City Council discussion and feedback. City Council feedback is time-sensitive, as the City will be conducting traffic modeling for the General Plan Update in January 2020

FOR CITY CLERK ONLY

File No.: _____

Council Meeting: _____

Disposition: _____

BACKGROUND:

The City of San Rafael initiated a General Plan Update at the end of 2017. The project is scheduled for completion in 2020. Staff has been providing updates to the City Council on the process and will continue to do so in the coming months. Progress Report #1 was presented to the City Council on [March 4, 2019](#). Report #2 was presented on [July 15, 2019](#). Progress Report #3 focuses on activities completed between July and November 2019.

The staff report is organized into three parts. The Analysis section below provides an overview of each part, as well as a discussion of issues and key decisions. A specific City Council action/response is requested at the end of each section.

ANALYSIS:

PART ONE: STEERING COMMITTEE MEMBERSHIP CHANGE

The General Plan 2040 Steering Committee was appointed by the City Council in December 2017. The Committee includes 24 members and 22 alternates. The Committee Bylaws require Council approval for the appointment of new Committee members.

The Youth representative to the Committee (Bella Bromberg) has stepped down in order to attend college out of state. Staff proposes to replace Ms. Bromberg with Eleanor Huang. Eleanor is a student at the Marin School of Environmental Leadership and resides in Terra Linda. She served as a student representative to the Climate Change Action Plan Green Ribbon Working Group and has expressed enthusiasm about serving on the Steering Committee as they wrap up their work in the next five months. Jack McGinn will remain the Youth “Alternate” in the event Ms. Huang is unable to attend a meeting. A Resolution appointing Eleanor Huang as a Committee member is attached to this Staff Report.

Requested City Council Action: Adopt the Resolution appointing Eleanor Huang as the Youth representative to the General Plan 2040 Steering Committee.

PART TWO: GENERAL PLAN TASK UPDATE

There are three major tasks underway, summarized below:

1. **Policy Development.** As of November 14, 2019, staff has completed Draft General Plan 2040 policies for all of the State-mandated elements except Circulation and Environmental Justice.¹ Completed policies include Land Use, Safety, Open Space, Conservation, and Noise. Staff has also updated policies relating to infrastructure, sustainability/climate action, and air and water quality.

Policies are being updated through an iterative process. As we reported during Progress Reports #1 and #2, the first step was to complete an “audit” of each element and determine which policies from the existing General Plan 2020 should be carried forward, edited, deleted, or replaced. Following the audit, policies for the 2040 Plan are being drafted, reflecting staff’s assessment and comments from the General Plan Steering Committee. Each set of Draft 2040 policies is being presented to the General Plan Steering Committee, with an opportunity for oral and written comments. The Draft 2040 policies are then revised again to reflect Steering Committee input.

¹ The Housing Element will be updated in 2022, as required by State law. It is not part of the General Plan 2040 Update process.

Staff is in the process of drafting policies for the Circulation Element (to be retitled the “Mobility” Element in General Plan 2040). Other policies in production include neighborhoods, parks/recreation and economic vitality. Staff will be developing the remaining policies in January and February, in order to develop an Administrative Draft General Plan by March 2020.

In the course of updating Policy NH-1 (Neighborhood Planning), the public has raised the issue of which areas should receive priority for more detailed plans after the General Plan is adopted. The prior General Plan (2020) included a list of neighborhoods that had requested such plans. Staff recommends that future sub-area plans be focused on areas with unique local issues or significant potential for change between 2020 and 2040. The top two priority areas are the Northgate Town Center and the Canal/ East San Rafael neighborhoods. A proposed program in General Plan 2040 seeks funding to do area plans for these locations. These could be policy plans providing general direction based on community and property-owner engagement or Precise Plans with new zoning and design standards. If the plans support transit-oriented development, they may be eligible for state and regional grant funding. The General Plan Implementation Fee provides another potential funding source.

2. **Alternatives Analysis for General Plan 2040 and the EIR.** The General Plan Update includes an analysis of future land use and transportation alternatives. This is required under CEQA and also allows the City to model or simulate the impacts of different 20-year growth scenarios for 2020-2040 as part of the General Plan process. This includes alternatives for Downtown San Rafael, which are being developed through the Downtown Precise Plan.

The key impact explored in the alternatives analysis is traffic. Traffic forecasts also enable an evaluation of each alternative on air quality, noise, and greenhouse gas emissions, since they are impacted by vehicle travel. The alternatives analysis also facilitates a discussion of key opportunity sites in the city.

The City anticipates testing three alternatives. Each alternative will assume different levels of growth and change for Downtown, the Northgate area, parts of southeast San Rafael, and specific sites where development opportunities may exist. The San Rafael Rock Quarry is presumed to not redevelop by the horizon year of the Plan (2040), consistent with the operator’s request to the County to extend their quarrying permit through 2044.

The alternatives will be analyzed by calculating potential 20-year job and housing growth for small geographic areas (called Traffic Analysis Zones or TAZs), and then running a traffic model to forecast conditions in 2040. The City is using the Transportation Authority of Marin (TAM) model to conduct this task. The model also considers growth in regional traffic over the next 20 years, as well as regional improvements to the transportation network and changes in transportation technology and travel behavior. Thus, the forecasts for 2040 consider not only the decisions made by San Rafael, but the cumulative changes resulting from growth throughout the Bay Area.

A number of property owners outside of Downtown have requested new General Plan Land Use Map designations for their properties in order to facilitate development in the next 20 years. These requests will be considered by the Planning Commission in January 2020 and will be further evaluated during the Alternatives Analysis process.

3. **Update on Downtown Precise Plan.** Work is continuing on the Downtown Precise Plan. Opticos Design completed a Downtown Profile Report in June 2019 and a Downtown Options Report

(Options Report) in August 2019.² The Options Report was intended as a discussion guide for design and transportation choices. Staff has continued to solicit input on the project and convened a pop-up workshop on Fourth Street on August 29, a Planning Commission discussion on September 10, a City Council study session on October 7, a General Plan 2040 Steering Committee discussion on October 9, and a discussion with the Citizens Advisory Committee on Affordable Housing and Economic Development on November 7.

The Options Report identifies four subareas within Downtown. It presents an illustrative plan and statement of design intent for each area. From west to east, the subareas are: West End Village; Downtown Core; Transit Station Area; and Montecito Commercial area. Opportunity sites within each area have been identified, and a hypothetical 20-year “development program” has been created to show possible uses on these sites. In most cases, the opportunity sites are presumed to develop with multi-family housing or mixed use (residential over commercial/ service uses). The illustrative plans also show possible public space improvements, such as a new civic plaza north of the SMART station, an expanded civic space at 4th and Court, and the repurposing of Ritter Street between 2nd and 3rd Streets (at Lincoln).

The Options Report also examines potential transportation improvements Downtown, with a focus on making the area more pedestrian-, bicycle-, and transit-friendly. Among the changes explored are a dedicated east-west bikeway, the conversion of B, C, and D Streets from one-way streets to two-way streets, and the redesign of a portion of Fourth Street as a “shared” street. The “shared” street concept would remove the curbs and change the paving materials, creating an environment where bicycles, cars, buses, and pedestrians use the same space. This concept could be applied to a single block, or several blocks (extending west from the SMART station to A Street, for example).

In presenting these concepts to the Steering Committee and others, there appears to be support for the restoration of two-way traffic on B, C, and D Streets. The bike lane idea has received mixed feedback, principally because the design shown would likely remove on-street parking along both sides of Fifth Avenue and create a potential hardship for residents, businesses, and visitors. The shared street idea for 4th Street has received mixed feedback also, due to its impact on parking, potential cost, and concerns about auto traffic being displaced to adjacent streets. These ideas were introduced to the City Council during the October 7 study session but were not discussed in depth.

The illustrative land use plans have generated mostly positive responses, with concerns primarily related to: (a) the economic (market) feasibility of what is shown in the Illustrative Plan; (b) the challenges of assembling small parcels to create viable development sites; (c) the ability to meet parking demand; (d) the long-term future of the retail sector, and (e) the need for curbside management strategies. Other issues that have been raised include homelessness prevention strategies and the proposed focus on housing near the SMART station, rather than office and employment-based uses.

Staff is working to address these issues and ensure that they are adequately covered in the Precise Plan. Staff has also been working with Opticos to refine the list of opportunity sites and the projected development forecasts. The Opticos forecasts indicate capacity for more than 2,250 new housing units and 1,500 jobs in the 265-acre Precise Plan area under current zoning.

² Opticos Design is a Berkeley-based planning and design firm. In January 2019, they were selected by the City to prepare the Downtown Precise Plan.

The Options Report also addresses approaches for regulating building heights and height bonuses. To date, the only changes proposed to existing height limits are immediately east of Highway 101 (along Irwin Street and a small portion of 4th Street). These changes are consistent with the recommendations of the Station Area Plan adopted in 2012. Additional changes to height limits could be considered, and changes to the height “bonuses” offered for affordable housing and other community benefits also could be considered. Other questions raised by the Options Report include the phasing of capital improvements and the balance between residential and non-residential uses.

Opticos Design is moving on to the next phase in Downtown Precise Plan development, which includes development of the Plan itself, plus a form-based zoning code and design guidelines.³ The Plan will include economic development and parking management strategies addressing the issues raised during the past few months, as well as proposed public space and circulation improvements. The form-based code will replace existing zoning regulations for Downtown with a more design-oriented code that provides more flexibility.

Requested City Council Action: Accept the Informational Report on General Plan 2040.

PART THREE: TRANSPORTATION POLICY DISCUSSION

On June 3, 2019, staff provided the City Council with an [informational report](#) on Traffic Methodologies for General Plan 2040. The informational report provided a complete discussion of current traffic methodologies employed by the City. It also summarized state legislation (SB 743) that requires local governments to change the way they measure transportation impacts in their implementation of the California Environmental Quality Act (CEQA). The effects of the new requirements on San Rafael’s General Plan 2040 and future environmental impact reports (EIRs) were presented and discussed with the City Council.

Like many communities in California, San Rafael has used “Level of Service” (LOS) to monitor traffic impacts at intersections for the past 35 years. LOS uses a letter grade (from “A” to “F”) to define the acceptable level of delay at intersections during the AM and PM peak hours. When an intersection falls below the standard, physical improvements such as turning lanes or signal adjustments may be programmed to restore traffic conditions. While this approach is generally easy to understand, increasing road capacity to accommodate more cars may induce demand and result in additional vehicles and vehicle emissions. Increasing emissions runs counter to the greenhouse gas (GHG) reduction goals mandated by California Assembly Bill 32 (AB 32) and the City’s Climate Change Action Plan 2030.

In 2013, the Governor signed SB 743, which mandates major changes in how transportation impacts are analyzed under CEQA. SB 743 requires a shift to traffic analysis methodology from LOS and local street operations to “vehicle miles traveled” (VMT). The intent is to analyze and reduce the amount of driving and the length of vehicle trips associated with new development, rather than reducing vehicle delays on the local street network. With the use of VMT, the longer the vehicle travel from origin to destination, the greater the impact.

Effective July 2020, cities and counties in California may no longer use LOS to evaluate transportation impacts in CEQA documents and must instead shift to VMT. The reasons for this shift are laid out in the [staff report](#) from June 3, 2019. LOS methodology can continue to be used by cities/ counties to manage

³ A “Form Based Code” is an alternative to conventional zoning that emphasis the physical form of buildings and public spaces rather than the specific uses and activities that may occur on a property.

and monitor the local roadway network, but it cannot be linked to or required for CEQA/ environmental review.

Switching from LOS to VMT is intended to:

- Streamline CEQA review for projects that improve infrastructure and safety for pedestrians, bicyclists, and transit-riders while reducing the need to travel exclusively by automobile.
- Facilitate residential, commercial, and mixed-use infill projects close to transit that minimize impacts to air quality and reduce greenhouse gases by reducing the number of miles driven by automobiles.
- Focus CEQA transportation mitigation on pedestrian, bicycle, and transit facilities, as well as transportation demand management (carpooling, flextime, etc.).

The emerging General Plan 2040 also strives to reduce GHG emissions and increase transportation options for San Rafael residents and workers. The Plan will provide the capacity for the City to create new housing and vibrant urban places, particularly in the Downtown area. It will also incorporate key provisions of the Climate Change Action Plan 2030, as well as regional initiatives to bring residents and jobs closer together. Growth strategies should reduce the need to travel long distances by car (for work, services, etc.), support transit ridership, and reduce environmental and fiscal impacts.

VMT is measured a number of different ways. “Total VMT” is based on all vehicle trips over a given period of time (such as a weekday), while “per capita VMT” is total VMT divided by the community’s population. “Total VMT” is used when evaluating a Plan (such as the General Plan), while per capita VMT is used to evaluate an individual development project. Per capita VMT is expressed based on a defined subset of travelers, as follows:

- “Home-based VMT per resident” refers to the trips made by those who live in the community. This is the recommended metric for evaluating residential projects.
- “Home-based work VMT per employee” refers to the trips made by those who work in the community, including commuters who live in other communities. This is the recommended metric for evaluating employment projects.
- “Total VMT per service population” is a per capita figure that includes all persons in vehicles traveling through a city, including residents, workers, and visitors. This is the recommended metric for evaluating mixed use projects.

Key Decisions

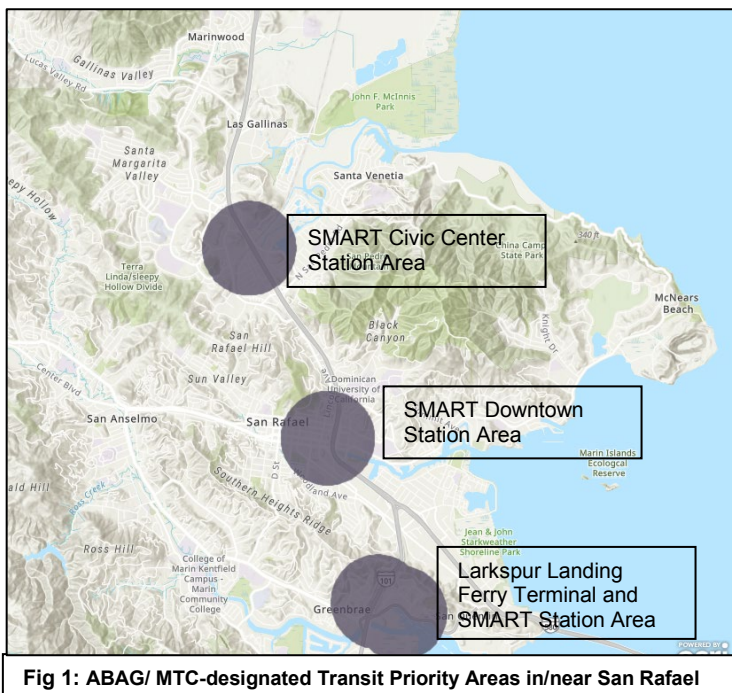
A series of decisions must be made by cities and counties as they make the shift to VMT. These are presented below, with a staff recommendation provided for each step. In three of the steps below, the staff recommendation requires further discussion and direction from the City Council. City staff and the consulting team will facilitate this discussion at the meeting on December 2.

Transportation Policy 1: Establishing Screening Criteria

“Screening criteria” are used to determine whether a project is likely to result in a significant impact on the environment. Projects that meet the screening criteria would not be required to conduct a quantitative VMT analysis and would only require a qualitative discussion in the CEQA document. This is most appropriate for projects that are consistent with the General Plan, provide public benefits such as affordable housing, and /or reduce VMT based on their characteristics. Projects can be presumed to reduce VMT if they are located in “transit priority areas” (TPAs), such as Downtown San Rafael, the Civic Center Station area (see Figure 1), and areas along bus routes with headways of 15 minutes or less.

Fehr and Peers⁴ recommends that the following projects be screened from quantitative VMT analysis requirements, based on best practices, State guidance, and regional VMT data for these project types:

- All projects within the Downtown Precise Plan area that are consistent with the policies and growth assumptions for the area, since the VMT impacts of such projects are positive.
- Projects outside the Downtown Precise Plan area but within ½ mile of the SMART stations Downtown and at the Civic Center, provided they have a floor area ratio (FAR) of at least 0.75 and do not displace existing rental housing.
- Projects that contain 100 percent affordable housing.
- Neighborhood-serving retail projects with less than 50,000 square feet (these projects tend to have low VMT, since they serve residents of nearby neighborhoods).
- Projects that generate or attract fewer than 110 trips per day, which is generally equivalent to:
 - Single Family Housing: 10 units or less
 - Multi-Family Housing: 15 units or less
 - Warehouse: 60,000 SF or less
 - Light Industrial: 20,000 SF or less
 - Office: 10,000 SF or less



In addition, transit projects, bike/ped improvements, travel lane reductions, traffic safety improvements that do not induce additional driving, and road repair projects also would be screened from conducting a quantitative VMT analysis. Attachment 2 to this staff report is a flow chart demonstrating how the screening process would work in practice.

Requested City Council Action: None. The proposed screening criteria will be incorporated in a transportation policy that will ultimately be brought to the City Council for approval. Specific direction from the City Council is not required at this time, but staff will be available to respond to questions.

Transportation Policy 2: Determining a Significant VMT Impact Under CEQA

Projects that do not meet the criteria listed under Policy 1 above would be required to prepare a quantitative analysis of VMT. Similar to the City’s current requirements for LOS, the analysis would consider VMT impacts under *baseline* conditions (e.g., the project, plus existing conditions). It would also consider VMT impacts under *cumulative* conditions (e.g., the project plus other projects and

⁴ Fehr and Peers is the transportation consultant retained to analyze transportation impacts of the General Plan 2040 and Downtown Precise Plan and advise the City on compliance with recent state transportation-related legislation.

regional growth expected in the future). The Transportation Authority of Marin (TAM) model would be used to perform this analysis. The latest TAM model has been expressly designed to calculate VMT impacts and the benefits of various reduction measures.

To analyze the specific VMT impacts of the project, the TAM model would be run with and without the proposed project. The model outputs would include estimates of total VMT, and VMT per employee, per resident, and per service population, depending on the proposed land uses. For smaller projects, the model may not be sensitive enough to accurately calculate VMT. In such instances, the VMT rates used in the model could be applied to an individual project to determine the estimated VMT impacts.

In terms of determining what constitutes a “significant” impact under CEQA, the City of San Rafael has the discretion to set its own threshold. The State Office of Planning and Research (OPR) has provided guidance on this topic area. OPR recommends that projects achieve a VMT reduction of 15 percent below the regional average in order to meet the State’s GHG reduction goals. The California Air Resources Board (ARB) has recommended a slightly higher threshold of 16.8 percent.

The challenge for San Rafael is that its VMT is currently substantially above the regional average. Persons working in San Rafael commute relatively long distances by car, while many of those living in San Rafael commute to San Francisco or other regional employment centers. Accomplishing a VMT reduction that is 15 percent below the regional average may not be feasible, even with mitigation.

Another approach would be based on identifying the reduction in VMT rates that would occur on a citywide basis, by using the new TAM travel model to compare existing (2015) VMT rates for San Rafael to future year 2040 VMT rates. This would result in a less onerous target but would be more reasonable and logical for San Rafael. Staff is recommending that this approach be used in San Rafael, as the approaches recommended by OPR and the ARB would likely be unattainable in much of the City. San Rafael’s current VMT per capita is currently about 15% above the regional average, effectively meaning that a 30 percent reduction would be required to meet the regional target. This may be infeasible given the city’s land use and transportation patterns, and the dynamics of the regional economy and real estate market.

Under staff’s proposal, a development project would be found to have a significant impact if it did not achieve a 15% reduction below the citywide average (either for service population, resident, or worker, depending on the project type) by 2040. Such projects would also need to be reviewed and determined to be consistent with the MTC Regional Transportation Plan (RTP) and San Rafael General Plan 2040.

Transportation improvement projects (e.g., road widening, bike lanes, new signals, etc.) would be evaluated based on whether they generate new VMT. A net decrease or no change in VMT would be considered a less-than-significant impact. A net increase in VMT would be considered a significant impact. For example, a project that induced vehicle travel (such as an additional travel lane, street widening, or signalization not anticipated by the General Plan) would result in a finding of significant impact.

Requested City Council Action: Provide feedback on staff’s proposal to establish a goal of reducing Total VMT in San Rafael by 15 percent between 2015 and 2040.⁵ The implication of selecting this goal (vs the goal recommended by OPR or ARB) is that fewer new development projects will be subject to a finding of significant impact and statement of overriding considerations based on their transportation impacts. The Council could also direct staff to use the more aggressive goals set by OPR and the ARB,

⁵ The exact percentage may be adjusted once the traffic modeling has been completed and the 2015 and 2040 VMT figures are compared. The key is the percentage would be locally determined, rather than linked to the regional average.

which are based on the entire Bay Area rather than San Rafael or Marin County. This would mean that a larger number of future projects (particularly those outside of Downtown) would be found to have significant impacts and require a statement of overriding considerations.

Transportation Policy 3: Identifying VMT Mitigation Measures

Mitigation for VMT impacts is typically done through two measures. First, cities/counties may adopt Transportation Demand Management (TDM) ordinances. Second, projects can be designed and/or operated in ways that support fewer and shorter vehicle trips (thereby reducing VMT).

TDM ordinances aim to reduce the frequency and length of motor vehicle trips associated with new development projects. Further, TDM ordinances can be structured to:

- spread the peak-hour trips to off-peak hours;
- shift trips toward transit, walking, cycling, and other modes; and
- apply technology (such as electric charging stations) to reduce the environmental impacts of vehicle traffic.

There are quantifiable benefits associated with each measure, allowing a particular menu of measures to be prescribed as a way to reduce the expected VMT for a new project by a specific increment.

TDM programs are implemented on a continuous basis and typically require annual monitoring and reporting. In employment centers, TDM programs are tenant-dependent, so adjustments are required as office or retail tenants move out and new tenants move in. Larger employers may be required to have a TDM Coordinator to disseminate information, conduct surveys, assist employees in forming carpools, and set up home-based work opportunities. Because of economies of scale, TDM programs may be most economical when they are managed by special entities created to administer programs serving multiple employers.

A TDM-based mitigation requires a rigorous ongoing monitoring and reporting program that provides a site's total daily vehicle trips and data on vehicle trip length. TDM program management would require additional city staff, likely in the Public Works Department. Another option for program administration would be through TAM or another regional agency. TAM could potentially serve as the Marin Countywide TDM Coordinator, given that their TDM model will be used by all Marin County cities and towns.

Project design features that reduce VMT could include:

- the provision of supportive amenities and uses that reduce vehicle trips (e.g., child care, fitness center, bicycle facilities, etc.);
- parking lots that do not obstruct pedestrian access;
- sidewalks and pathways;
- easy access to buses and transit facilities; and
- changes to the development program (e.g., adding housing into a proposed office project, to create opportunities for workers to live and work in the same place).

General Plan 2040 will include policies and programs directing the City to work with TAM and other Marin County jurisdictions to determine the most effective way to implement and administer trip reduction and TDM programs. San Rafael has a Trip Reduction Ordinance (Sec 5.81 of the Municipal Code) which requires a trip reduction program for all employers with over 100 employees at an

individual work site. This Ordinance could be strengthened or expanded in scope, and more consistently applied and administered.

The General Plan will identify options for meeting the increased staffing needs associated with administering TDM measures. One option might be to have such programs administered by a regional entity such as TAM, with support provided by all jurisdictions in Marin County. The City may need to prepare TDM guidelines, which could then be used by developers to develop TDM programs as projects are proposed.

Requested City Council Action: None. A menu of potential VMT mitigation measures will be included in the General Plan 2040. Specific direction from the City Council is not required at this time, but staff will be available to respond to questions.

Transportation Policy 4: Determining the Future of LOS in San Rafael

San Rafael City leaders and the general public have grown accustomed to and become knowledgeable about LOS as a means of understanding local traffic conditions and how new development impacts these conditions. LOS has been effective in measuring the performance of the local street network and managing growth and transportation improvements. A hybrid approach to transportation planning that considers both LOS and VMT may still be appropriate.

As of November 2019, only a few cities in California have made the transition to VMT. Some of those cities (including San Francisco, Oakland, and Pasadena) have abandoned LOS entirely. Others, like San Jose, have shifted to a dual system where LOS continues to be used for local transportation planning, while VMT is used for CEQA documents. In such cases, Downtown areas or areas with access or proximity to high-quality transit (frequent bus service, rail stations, etc.) are excluded from LOS standards. This hybrid system may become the default solution for many Bay Area cities, at least for an interim period as the costs and benefits of abandoning LOS entirely are better understood.

The City Council discussed this topic during their meeting on June 3, 2019. A range of options was presented, including eliminating LOS entirely, retaining the “status quo,” or adopting a more limited form of LOS in which certain areas might be exempt.⁶ Several Council members expressed an interest in retaining some form of LOS in General Plan 2040 and continuing to require traffic studies for projects with the potential for localized traffic impacts. Members of the General Plan 2040 Steering Committee have also indicated their support for retaining LOS in some form.

Staff recommends that LOS continue to be measured and monitored throughout the City. However, areas within the Downtown Precise Plan boundary and other areas within ½ mile of the Downtown SMART station would be exempt from LOS considerations. New public facilities also would be exempt. Exempting these areas/project types would remove a potential development obstacle, as projects in these areas would not be required to fund individual technical traffic studies merely to confirm what is already known, or to justify road improvements that run counter to the goal of promoting transit use and reducing VMT in these areas. Projects in these areas would continue to be subject to traffic impact fees.

Non-exempt projects would continue to be subject to a threshold for when an LOS traffic study is required to assess a proposed development project’s impacts on the local transportation network, including

⁶ See pages 8-10 of [staff report](#).

parking. The threshold would be based on the number of peak hour trips the project would be expected to generate, and would likely only apply to larger development projects.

The method of measuring LOS may be changed from the current system, which is based on intersections, to a new method that is based on delays along road segments. A performance standard based on travel speed would be established for each arterial in the city. The standard would be expressed as the acceptable ratio of *uncongested* speed divided by *congested* speed. For example, if a delay index of 2.0 is set for Point San Pedro Road and the speed along the corridor during uncongested conditions is 35 miles per hour, then the acceptable speed during the peak commute period would be 17.5 miles per hour. If a project caused the speed to drop below this level, future improvements could be programmed to improve traffic flow; however, the project's approval would not be made contingent on these improvements.

Requested City Council Action: Provide feedback on staff's proposal for retaining a modified form of LOS in General Plan 2040. The advantage of retaining such a system is that it continues to provide a familiar tool for evaluating the impacts of a project on the road network and prioritizing how transportation mitigation fees should be spent. The disadvantage is that it means two levels of transportation analysis (LOS, VMT) will be in use.

A second policy question for Council feedback is how LOS will be measured, in the event it is retained. The system that has been in place since the 1980s focuses on intersections. The proposed system would be based on travel delays along major arterials. The City (and City Council) will need to select which arterials it is going to monitor and what the acceptable levels of delay should be.

Transportation Policy 5: Continuing Traffic Impact Fees

The City currently collects a traffic impact fee for new development to mitigate transportation impacts. The current fee (\$4,246 per AM and PM peak hour trip generated by the project) is costly and can discourage smaller development projects and new businesses. Further, the traffic mitigation fees that are collected are intended to fund major transportation projects/improvements listed in the General Plan. Some of these improvements require funding that far exceeds the amount that can be collected through impact fees alone.

Fehr and Peers identified an alternative approach to determining impact fees, which would be based on VMT rather than the number of trips generated. Increases in VMT would be calculated for proposed development projects based on the project's location and the mix of uses proposed. Impact fee revenue would be used to pay for VMT reduction measures, such as bike lanes and pedestrian improvements.

After considering the trip-based approach and the VMT-based approach, staff recommends continuing the trip-based approach. Projects with VMT benefits may be included. Impact fee revenues will continue to be used for a combination of road improvement projects and projects that advance local, regional, and state GHG reduction goals. The General Plan will continue to include a list of priority capital improvement projects.

Requested City Council Action: Confirm staff's recommendation, which is to continue collecting traffic mitigation fees based on the total number of trips a project will generate, rather than the VMT expected from that project. Traffic mitigation fees will continue to be used for a combination of road improvements and improvements that support GHG-reducing transportation modes.

SUMMARY OF REQUESTED ACTIONS:

In summary, staff is requesting the following actions on this staff report:

1. Approve the Resolution approving Eleanor Huang as the Youth Representative to the General Plan 2040 Steering Committee.
2. Accept the Informational Report on General Plan 2040. The Council may provide feedback on the issues raised in this report, including policy development, the priority action to do more focused plans in the Northgate area and Canal neighborhoods, the Land Use alternatives, and the Downtown Precise Plan.
3. Accept preliminary recommendations regarding VMT screening criteria for future development projects (Policy 1) and VMT mitigation measures (Policy 3). Fehr and Peers has provided recommendations based on best practices and its professional assessment of transportation conditions and SB 743.
4. Provide Feedback to Staff on the following Transportation Policy issues:
 - a. Policy 2: Establish a Locally-Based VMT Reduction Target. Establish a target for reducing VMT between 2015 and 2040 that is based on local conditions in San Rafael, rather than simply adopting the State-recommended target of reducing emissions to 15% below the regional average. This will result in a more realistic and less onerous target, although it will likely be less aggressive than the State target.
 - b. Policy 4: Retain LOS as a Planning Tool. Retain LOS as a metric for transportation planning and continue to require LOS calculations for larger development projects that are located outside the Downtown Precise Plan area. The results of the LOS analysis will be used for transportation planning but will not be used as a condition of project approval. Moreover, the method of calculating LOS will change from an intersection-based metric to an arterial delay index.
 - c. Policy 5: Trip-Based Mitigation Fees. Retain a transportation mitigation fee based on the number of trips a new project is expected to generate. A fee based on VMT was considered, but staff is recommending that the trip-based fee be retained at this point in time.

COMMUNITY OUTREACH:

A public notice of this meeting was mailed to stakeholders, agencies and special interest groups 15-days prior to this meeting (Attachment 4). Those noticed included, among others, all neighborhood associations in the city, the San Rafael Chamber of Commerce, and members of the General Plan 2040 Steering Committee. Notice of this report was also provided on the General Plan 2040 [meetings and events webpage](#).

FISCAL IMPACT:

This progress report is informational and has no fiscal impact on the City budget.

OPTIONS:

The City Council has the following options to consider on this matter:

1. Accept report and preliminary recommendations and Approve Resolution, as recommended by staff;
2. Reject report and preliminary recommendations and Resolution and direct staff to return with more information; or
3. Take no action.

RECOMMENDED ACTION:

Accept Report and Approve Resolution

ATTACHMENTS:

1. Resolution Approving Steering Committee Membership Change
2. VMT Screening and Review Flow Chart
3. Matrix on LOS/VMT transition options and recommendations
4. Post-Card Notice of Meeting

RESOLUTION NO.

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AMENDING RESOLUTION NO. 14426, MODIFYING APPOINTMENTS TO THE SAN RAFAEL GENERAL PLAN 2040 STEERING COMMITTEE (CITY FILE NOS. GPA 16-001 & P16-013)

WHEREAS, California Government Code 65300 requires that each city and county in the State adopt a comprehensive long-range General Plan to address community growth, physical development, and planning of citywide programs; and

WHEREAS, the City of San Rafael is in the process of updating its 2020 General Plan to move the time horizon forward to 2040 and address new State requirements, current conditions, and emerging issues; and

WHEREAS, the General Plan Update process includes a Community Engagement Strategy, one component of which is a Steering Committee appointed by the City Council; and

WHEREAS, on December 4, 2017, the City Council adopted Resolution No. 14426 appointing 23 members and 22 alternates to serve on the Steering Committee, and approving Bylaws addressing the organization and membership of the Committee and protocol for its meetings and conduct; and

WHEREAS, on August 6, 2018, the City Council increased the number of members to 24 and approved changes to the roster of members and alternates; and

WHEREAS, the Steering Committee Bylaws anticipate occasional membership turnover due to members and/or alternates leaving the organizations they represent, relocating out of the City, or other factors; and

WHEREAS, such membership turnover has recently occurred; and

WHEREAS, the replacement of exiting members and alternates with new members and alternates is important to the future performance of the Steering Committee, and will ensure that its desired balance and diversity is retained; and

WHEREAS, Staff has solicited and received nominations to replace exiting members; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council takes the following action:

1. City Council Resolution No. 14426 Exhibit "A", approved on December 4, 2017, listing the members of the General Plan 2040 Steering Committee is amended to designate Eleanor Huang as the primary member representing San Rafael Youth.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council on the 2nd day of December 2019 by the following vote to wit:

AYES: Councilmembers:

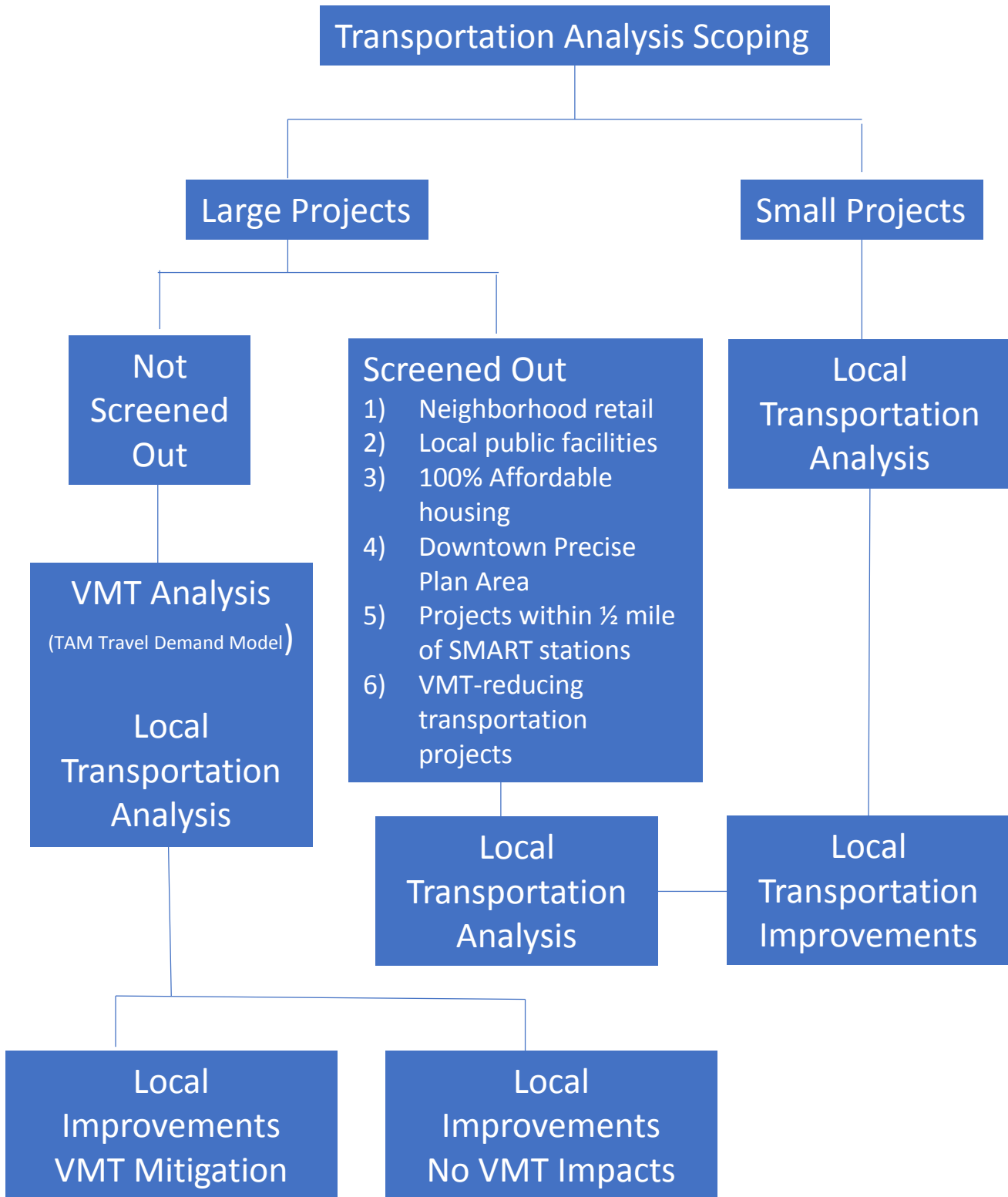
NOES: Councilmembers:

ABSENT: Councilmembers:

Lindsay Lara, City Clerk

ATTACHMENT 2

Flow Chart Illustrating Proposed Transportation Analysis Process



City of San Rafael General Plan: CEQA VMT Summary of Lead Agency Decisions, Options, Considerations, and Recommendations (11.13.19)

Lead Agency Decisions	Common Options	Common Limitations	Considerations	San Rafael Recommendations
<p>What form of the VMT Metric?</p>	<ul style="list-style-type: none"> Total VMT Total VMT per service population¹ Household generated VMT per resident (activity/tour-based models) Home-based VMT per resident Home-based work VMT per employee 	<p>Metrics other than total VMT and total VMT per service population typically only represent partial VMT (i.e., some vehicle types and trip purposes are excluded in the models used to estimate VMT). This may be acceptable for screening purposes but not for a complete VMT impact analysis.</p>	<p>CEQA impact analysis should strive to provide a complete picture of the VMT effects on the environment. Current practice relies on estimates of total weekday VMT. The CEQA Guidelines and OPR’s Technical Advisory leave all methodology decisions for VMT analysis up to the lead agency.</p>	<p>VMT Metrics Include all the following, where applicable, so that all forms of VMT needed for screening and complete analysis are available.</p> <ul style="list-style-type: none"> Total VMT (for transportation projects; also, as input to CEQA air quality, GHG, and energy impact analysis as needed) Total VMT per service population (for mixed use projects) Home-based VMT per resident (for residential projects) Home-based work VMT per employee (for employment projects)
<p>What methodology to use in forecasting VMT?</p>	<ul style="list-style-type: none"> Caltrans Statewide Travel Demand Model Regional MPO or RTPA travel demand model City or County travel demand model Sketch planning tool or spreadsheet² 	<ul style="list-style-type: none"> Statewide and regional models have limited sensitivity and accuracy for local scale applications off the shelf. Regional and local models often truncate trips at model boundaries. Sketch and spreadsheet tools do not capture the ‘project effect on VMT’. 	<p>Regional or local models should be calibrated and validated for local project-scale sensitivity/accuracy (including appending trip length data for trips with external trip ends) before using these models to analyze both ‘project generated VMT’ and ‘project effect on VMT’ for local projects.</p>	<p>VMT Forecasting Methodology</p> <ul style="list-style-type: none"> Evaluate both “project generated VMT” and “project effect on VMT”. Use TAM travel model with the preferred land use plan identified in 2020 for the San Rafael General Plan Update.
<p>Is use of VMT impact screening desired?³</p>	<ul style="list-style-type: none"> Projects that reduce VMT or are located within transit priority areas (TPAs) should be presumed to have a less than significant impact on VMT. Additional screening options are identified in the OPR Technical Advisory for: <ul style="list-style-type: none"> Small projects Map based screening for residential and office projects Affordable housing projects 	<p>Screening does not provide information about the actual VMT changes associated with the project. For projects that are determined to fit one of the adopted screening criteria, a qualitative discussion of VMT would be provided that concludes that the project is presumed to have a less than significant impact on VMT.</p>	<p>Screening most appropriate if consistent with applicable general plan and supported by substantial evidence.</p>	<p>VMT Land Use Project Screening</p> <ul style="list-style-type: none"> <u>Downtown San Rafael</u> – projects located in the Downtown Precise Plan study area that are consistent with General Plan growth assumptions <u>San Rafael Transit Center/SMART Station Areas</u> – projects (residential, retail and office, as well as mixed use projects) within ½ mile of the above transit stations <u>plus</u> a floor area ratio of 0.75 or more, reduced parking, land use consistent with the SCS, and does not reduce existing affordable housing <u>Affordable Housing</u> – 100 percent affordable residential development (or the residential component of a mixed-use development) in Downtown San Rafael or within ½ mile of SMART stations <u>Small Projects</u> – absent substantial evidence indicating that a project would generate a potentially significant level of VMT, or inconsistency with a Sustainable Communities Strategy (SCS) or the San Rafael General Plan, projects that generate or attract fewer than 110 trips per day generally may be assumed to cause a less-than significant impact. This equates to approximately 10 single family units, 15 multifamily units, 60,000 sf of warehouse, 20,000 sf of light industrial, or 10,000 sf of office use. <p>VMT Transportation Project Screening</p> <ul style="list-style-type: none"> <u>Road Projects</u> – absent substantial evidence indicating that a project would generate and/or induce a potentially significant level of VMT, or inconsistency with a Sustainable Communities Strategy (SCS) or the San Rafael General Plan, road projects such as rehabilitation and repair projects, safety projects, transit only lanes, installation or removal of traffic control devices, conversion of streets to two-way operation, installation of roundabouts, and lane reduction projects may be assumed to cause a less-than-significant transportation impact <u>Transit Projects</u> – passenger rail projects, bus rapid transit projects, and fixed-route bus projects with frequent service characteristics <u>Active Transportation Projects</u> – bicycle and pedestrian infrastructure projects

Lead Agency Decisions	Common Options	Common Limitations	Considerations	San Rafael Recommendations
<p>What is the VMT impact significance threshold for land use projects under baseline conditions?</p>	<ul style="list-style-type: none"> Lead agency discretion consistent with general plan and expectations for 'project scale' VMT reductions not accounted for in general plan EIR and supported by substantial evidence. OPR 15% below baseline average a city or region (automobiles only)⁴ ARB 14.3% below baseline (2018) average of jurisdiction (all vehicles and presuming that MPOs meet SB 375 targets) ARB 16.8% below baseline (2018) average of jurisdiction (automobiles only and presuming that MPOs meet SB 375 targets) ARB 25% below baseline (2018) average of jurisdiction (all vehicles and presuming that MPOs do not meet SB 375 targets) Pending Caltrans threshold⁵ 	<p>Difficult for lead agencies to determine what level of VMT change is unacceptable when viewed solely through a transportation lens.</p> <p>Uncertainty of VMT trends contributes to difficulty in setting thresholds. Connecting a VMT reduction expectation to baseline helps to reduce uncertainty associated with future conditions.</p>	<p>Since VMT is already used in air quality, GHG, and energy impact analysis, lead agencies should review thresholds for those sections to help inform new thresholds exclusively for transportation purposes. For land use projects, the City may consider thresholds based on Total VMT (which increases over time) or a VMT efficiency metric (which typically is forecast to decrease over time).</p> <p>Lead agencies should carefully consider how they value state goals for VMT/GHG reduction in light of other general plan and community objectives. Translating state goals into VMT thresholds should consider substantial evidence such as California Air Resources Board 2017 Scoping Plan-Identified VMT Reductions and Relationships to State Climate Goals, January 2019, CARB.</p> <p>Absent development of a specific VMT threshold, lead agencies may rely on those of other state agencies. The ARB thresholds are supported by substantial evidence related to state air quality and GHG goals, but based on current evidence, VMT per resident or worker may need to decrease in excess of 25 percent below baseline levels to support an impact finding of less than significant</p>	<p>VMT Significance Threshold-Land Use Projects: Baseline Conditions Establish VMT significance thresholds for land use projects in the form of an <u>efficiency metric</u> (per capita, employee, or service population).</p> <p>The options shown below are listed in order from the highest VMT reduction threshold outcomes to the lowest.</p> <ul style="list-style-type: none"> Option A – Set Thresholds Based on Statewide Average VMT Reduction per State Goals (OPR or ARB) <ol style="list-style-type: none"> OPR recommends project specific VMT reduction thresholds of 15 percent reduction from baseline for light-duty vehicle VMT (i.e., passenger cars and light trucks) for all land uses other than retail. Retail projects that increase total VMT would cause significant impacts. The most recent ARB analysis recommends project specific VMT reduction thresholds of 16.8 percent reduction from baseline for light-duty vehicle VMT (i.e., passenger cars and light trucks) or a 14.3 percent reduction for total VMT (i.e., all vehicles) presuming MPO SCSs meet applicable targets. Upwards of a 25 percent reduction may be required depending on actual SCS performance. Current evidence developed for ARB states that California is not on track to meet the GHG reductions expected under SB 375 and notes that VMT per capita is increasing. Option B – Set Thresholds Based on Citywide VMT Reduction per General Plan <ol style="list-style-type: none"> Rather than applying a VMT reduction threshold based on the statewide average as recommended by OPR, this option would base the San Rafael threshold on citywide VMT forecasts, by comparing the reduction in VMT per capita or service population from baseline (2015) model conditions to future (2040) model conditions
<p>What is the VMT impact significance threshold for land use projects under cumulative conditions?</p>	<ul style="list-style-type: none"> Use a regional model to analyze the 'project's effect on VMT' based on RTP/SCS consistency (projects should not increase the total regional VMT forecast used to support the RTP/SCS air quality conformity and SB 375 GHG targets). A lead agency can use the project analysis above if based on an efficiency metric form of VMT and evidence exists to demonstrate that cumulative trends in VMT rates are declining. Establish a VMT reduction threshold for cumulative conditions consistent with 	<p>Uncertainty of VMT trends makes a cumulative impact finding less certain.</p> <p>Ability for a lead agency to identify the project's effect on land supply and corresponding VMT. Land use projects typically only change land supply and the allocation of future population and employment growth. As such cumulative analysis should maintain the same cumulative control totals of regional population and employment growth.</p>	<p>Analyzing the project's effect on land supply and VMT should be done using an appropriate valid model. For impact findings, all available substantial evidence should be considered, including California Air Resources Board 2017 Scoping Plan-Identified VMT Reductions and Relationships to State Climate Goals, January 2019, CARB and current research on the long-term effects of transportation network companies (TNCs), new mobility options, and autonomous vehicles (AVs). Specific research examples include Fehr & Peers AV effect model testing.</p>	<p>VMT Significance Threshold-Land Use Projects: Cumulative Conditions</p> <ul style="list-style-type: none"> Determine project consistency with the MTC RTP/SCS. For projects inconsistent with the general plan and RTP/SCS, determine project cumulative VMT impacts using TAM model. Compare the VMT growth increment between baseline and 2040 cumulative no project conditions to the VMT growth increment between baseline and 2040 cumulative plus project conditions. Any increase in the VMT growth increment may constitute a significant cumulative impact. Apply the efficiency-based threshold identified above for the project under cumulative plus project conditions.

City of San Rafael General Plan: CEQA VMT Summary of Lead Agency Decisions, Options, Considerations, and Recommendations (11.13.19)

Lead Agency Decisions	Common Options	Common Limitations	Considerations	San Rafael Recommendations
	<p>long-term air pollution and GHG reduction expectations.</p>	<p>Requires knowledge of the forecasting tools available to test the project's effect on land supply and VMT.</p>		
<p>What is the VMT impact significant threshold for transportation projects under baseline conditions?</p>	<ul style="list-style-type: none"> Lead agencies have discretion to choose their own metrics and thresholds for transportation project impact analysis. If VMT is selected, OPR recommends treating projects that reduce, or have no impact on, VMT to be presumed to have a less than significant impact. 	<p>Continued use of LOS is uncertain because of CEQA Guidelines Section 15064.3(b)(2) and 15064.7(d)(2).</p> <p>Transit, especially on-demand transit service, can generate new VMT, which should be considered as part of impact conclusions.</p>	<p>Consult CEQA legal advice about whether lead agency discretion allows continued use of LOS and whether VMT is required. VMT is required as an input to air quality, GHG, and energy impact analysis and should include induced vehicle travel effects.</p>	<p>VMT Significance Threshold-Transportation Projects: Baseline Conditions</p> <ul style="list-style-type: none"> All transportation projects that are included in the General Plan and evaluated for VMT effects in the General Plan EIR would not require additional VMT analysis and would reference the General Plan EIR VMT impacts and mitigation measures. Transportation projects not included in the General Plan would require a VMT assessment to determine the project's effect on VMT, and would trigger a VMT impact if they result in any increase in Total VMT. VMT forecasts shall include induced vehicle travel effects.
<p>What VMT reduction mitigation strategies should be applied?</p>	<ul style="list-style-type: none"> Menu of built environment and transportation demand management (TDM) mitigation strategies contained in Quantifying Greenhouse Gas Mitigation Strategies, CAPCOA, 2010. 	<p>Built environment strategies require modifying the project, which may create inconsistencies with the project description and financial feasibility.</p> <p>TDM strategies are often building tenant dependent so their use requires on-going monitoring and adjusting to account for changes in build tenants and their travel behavior.</p> <p>Ad-hoc project-by-project mitigation is less effective for reducing VMT than larger scale program-based approaches such as an impact fee program.</p>	<p>Consider developing a VMT mitigation program using any of the following approaches.</p> <ul style="list-style-type: none"> Impact fee program based on a VMT reduction nexus (see City of Los Angeles example). In-lieu fee program for VMT reducing actions. VMT mitigation bank or exchange program. TDM ordinance applying to all employers. 	<p>VMT Impact Mitigation Strategies</p> <ul style="list-style-type: none"> Mitigations for projects that have significant VMT impacts would include targeted trip reduction measures and require participation in a citywide TDM Program. Because the long-term effectiveness of TDM measures is typically unknown during the project entitlement and environmental review process, designate the impacts as significant even with mitigation. Adopt a TDM Program, through ordinance, with the primary purpose of reducing VMT generated by all employers, and a second purpose of providing mitigation for new development projects. Adopt a new Transportation Impact Fee Program based on VMT reduction as the essential nexus, which results in a capital improvement program (CIP) consisting primarily of a group of projects that reduce VMT based on a robust TDM Program with strategies such as transit enhancements and bicycle/pedestrian infrastructure
<p><u>Notes:</u></p> <p>(1) Service population includes population plus employment and may include students or visitors as it is intended to include all independent variables used in estimating trips.</p> <p>(2) This method has limitations if using a citywide or regional average for a threshold.</p> <p>(3) CEQA Guidelines Section 15064.3 states that projects that would reduce VMT or are located in a TPA should be presumed to have a less than significant impact on VMT. The OPR <i>Technical Advisory</i> contains other potential screening options.</p> <p>(4) The OPR and ARB thresholds do not consider the long-term influence of transportation network companies, internet shopping, new mobility options, or autonomous vehicles.</p> <p>(5) Caltrans is developing a threshold recommendation for land use projects for intergovernmental review (IGR) purposes. Local jurisdictions should consider whether a Caltrans (or ARB) threshold constitutes a state threshold that must be applied in addition to their local threshold preference similar to past practices for LOS impact analysis of the state highway system.</p>				

ATTACHMENT 4

PUBLIC MEETING NOTICE (POST-CARD)



NOTICE OF PUBLIC MEETING – CITY COUNCIL

You are invited to attend the City Council meeting on the following proposed project:

PROJECT: PROGRESS REPORT #3 ON SAN RAFAEL GENERAL PLAN 2040- An update on General Plan 2040 will be presented to the City Council. The report will review progress on the project, including the Downtown Precise Plan. The focus will be on State-mandated changes (effective mid-2020) on how traffic and circulation will be evaluated in the General Plan 2040 Environmental Impact Report (EIR), as well as in the General Plan itself. The report will include staff proposals for how to proceed, based on prior Council discussions and best practices in transportation planning. The Council also will consider a Resolution appointing a replacement Alternate to the “Youth” seat on the General Plan 2040 Steering Committee. Case Nos.GPA16-001 & P16-013.

State law (California Environmental Quality Act) requires that this project be reviewed to determine if a study of potential environmental effects is required. It has been determined that this project, which is an informational report, will have no physical impact on the environment. This informational report is classified as a planning study, which qualifies for a Statutory Exemption from the provisions of the California Environmental Quality Act Guidelines under 14 CRR Section 15262.

MEETING DATE/TIME/LOCATION: Monday, December 2, 2019, 7:00 p.m. City Council Chambers, 1400 Fifth Ave at D St, San Rafael, CA

FOR MORE INFORMATION: Contact Barry Miller, Consulting Project Manager, Community Development Department at (415) 485-3423 or barry.miller@cityofsanrafael.org. The Community Development Department office is open from 8:30 a.m. to 4:30 p.m. on Monday, Tuesday and Thursday and 8:30 a.m. to 1:30 p.m. on Wednesday and Friday. You can also view the staff report after 5:00 p.m. on the Friday before the meeting at <http://www.cityofsanrafael.org/meetings>.

WHAT WILL HAPPEN: You can comment on the informational report and options presented in the report. The City Council will consider all public testimony. However, as this item is an informational report, no formal action will be taken by the City Council other than appointment of a new Youth Alternate to the Steering Committee. The City Council will be requested to provide comments and direction to staff on next steps.

IF YOU WANT TO COMMENT: You can send written correspondence by email to the address above, or by mail/hand delivery to the Community Development Department, Planning Division, City of San Rafael, 1400 5th Avenue, San Rafael, CA 94901.

At the above time and place, all written correspondence received will be noted and all interested parties will be heard. If you challenge in court the matter described above, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered at, or prior to, the above referenced public hearing (Government Code Section 65009 (b) (2)). Judicial review of an administrative decision of the City Council must be filed with the Court not later than the 90th day following the date of the Council's decision. (Code of Civil Procedure Section 1094.6)

Sign Language and interpretation and assistive listening devices may be requested by calling (415) 485-3085 (voice) or (415) 485-3198 (TDD) at least 72 hours in advance. Copies of documents are available in accessible formats upon request. Public transportation to City Hall is available through Golden Gate Transit, Line 22 or 23. Para-transit is available by calling Whistlestop Wheels at (415) 454-0964. To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting/hearing, individuals are requested to refrain from wearing scented products.




Agenda Item No: SA 1.a
Meeting Date: December 2, 2019

SAN RAFAEL SUCCESSOR AGENCY AGENDA REPORT

Department: FINANCE / CITY ATTORNEY

**Prepared by: Lisa Goldfien,
Assistant City Attorney**

City Manager Approval: 

TOPIC: MODIFICATION OF AGREEMENT IN CONNECTION WITH BONDS FUNDING A LOAN MADE BY THE SAN RAFAEL REDEVELOPMENT AGENCY TO MARTINELLI HOUSE IN 2007

SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE SUCCESSOR AGENCY EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO A MASTER PLEDGE AND ASSIGNMENT IN CONNECTION WITH THE SAN RAFAEL REDEVELOPMENT AGENCY'S 2007 ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS

RECOMMENDATION:
Adopt resolution approving and authorizing the Executive Director to execute an amendment to a "Master Pledge and Assignment" entered into by the San Rafael Redevelopment Agency in connection with its issuance of Multifamily Housing Revenue Bonds in 2007.

BACKGROUND:
The San Rafael Redevelopment Agency ("RDA") was dissolved by operation of law on February 1, 2012, and the City of San Rafael is the legal Successor Agency standing in the place of the RDA for continuing legal obligations.

In 2007, the RDA issued its "San Rafael Redevelopment Agency Multifamily Housing Revenue Bonds (Martinelli House Project) 2007 Series A" in the principal amount of \$6,000,000 to generate funds for a loan to nonprofit Mercy Housing California XXI, a Limited Partnership ("Mercy Housing") for its use in the acquisition and rehabilitation of Martinelli House, a 66-unit apartment building at 1327 Lincoln Avenue. Pursuant to a "Master Pledge and Assignment" agreement between the RDA, Citicorp North America, Inc. (acting as the RDA's agent), and Citicorp N.A., Citicorp N.A. purchased the bonds and paid the sale price directly to Citibank North America, Inc., which then used the sale proceeds to fund a loan agreement with Mercy Housing (the "Martinelli House Loan").

Citibank now proposes to enter into a transaction whereby it would sell the bonds (and other similar affordable housing bonds) to the California Housing Finance Agency (CalHFA), a state agency, who will

FOR CITY CLERK ONLY

File No.: _____

Council Meeting: _____

Disposition: _____

deposit the bonds into a trust and issue new municipal securities backed by the underlying loans. The municipal securities will be a pass-through security, entitled to payments solely from the interest and principal payments on the underlying loans. Citibank has advised that their proposed transactions are not refinancings at the issuer/project level; the issuer (the RDA/Successor Agency) and the issuer's rights do not change, nor do the terms and conditions under which the underlying properties operate. Citibank affiliates will continue to service the loans as they do today.

Investors in the new municipal securities will receive a disclosure document that will include property level information. Additional property level operating information will be provided to investors to allow them to perform appropriate due diligence on the underlying loans and properties.

While the Master Pledge and Assignment permits transfer of the bonds to certain entities, it does not currently allow transfer to a governmental entity such as CalHFA as proposed here. Therefore, Citibank has asked the City of San Rafael, as Successor Agency, to consent to an amendment to the Master Pledge and Assignment to permit the proposed transfer.

ANALYSIS:

The proposed "Amendment to Master Pledge and Assignment" is attached as Attachment 2. The Successor Agency's bond counsel, the law firm of Jones Hall in San Francisco, has reviewed the proposed Amendment and has advised that it sees no increased risk or other detriment to the Successor Agency in consenting to the requested change.

Staff also briefed the Finance Committee on the proposed Amendment on November 12, 2019, and the Finance Committee recommended it for consideration and approval by the full Successor Agency Board.

FISCAL IMPACT:

There will be no fiscal impact from approval of the Amendment by the Successor Agency Board. As noted above, the loan supporting the 2007 bonds will continue to be serviced by Citibank as before, and bond payments made from Martinelli House rental income.

OPTIONS:

The Successor Agency Board has the following options to consider on this matter:

1. Adopt the resolution approving and authorizing the Successor Agency's Executive Director to execute the proposed Amendment as presented.
2. Decline to adopt the resolution. Without the Successor Agency's consent, Citibank will be unable to restructure the Martinelli House Loan transaction as proposed.

RECOMMENDED ACTION:

Adopt the resolution.

ATTACHMENTS:

1. Resolution Approving and Authorizing the Successor Agency Executive Director to Execute the Amendment to Master Pledge and Assignment
2. Amendment to Master Pledge and Assignment

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL SUCCESSOR AGENCY BOARD
APPROVING AND AUTHORIZING THE SUCCESSOR AGENCY EXECUTIVE
DIRECTOR TO EXECUTE AN AMENDMENT TO A MASTER PLEDGE AND
ASSIGNMENT IN CONNECTION WITH THE SAN RAFAEL REDEVELOPMENT
AGENCY'S 2007 ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS**

WHEREAS, by adoption of Assembly Bill x1 26 in 2011, the California State Legislature approved the dissolution of redevelopment agencies, such as the San Rafael Redevelopment Agency ("San Rafael RDA"), formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), effective as of February 1, 2012; and

WHEREAS, on January 3, 2012, the San Rafael City Council adopted Resolution No. 13279 declaring that the City of San Rafael would act as successor agency (the "Successor Agency") for the dissolved San Rafael RDA effective February 1, 2012; and

WHEREAS, on February 1, 2012, the San Rafael RDA was dissolved pursuant to Health and Safety Code Section 34172 and the Successor Agency is now the successor entity to the San Rafael RDA; and

WHEREAS, under prior state law, the San Rafael RDA was authorized to issue bonds and loan the proceeds thereof to qualified borrowers for the purpose of financing the acquisition, rehabilitation and development of multifamily housing projects for persons and families of low and very low income residing within its jurisdiction; and

WHEREAS, by adoption of its Resolution No. 2007-07 on March 5, 2007, the San Rafael RDA authorized the issuance of its "San Rafael Redevelopment Agency Multifamily Housing Revenue Bonds (Martinelli House Project) 2007 Series A" in the maximum principal amount of \$6,000,000 (the "Bonds") for the purpose of loaning the proceeds of the Bond sales to Mercy Housing California XXXI, a California Limited Partnership ("Mercy Housing"), to finance the acquisition and rehabilitation of a 66-unit multifamily housing apartment project known as Martinelli House, located at 1327 Lincoln Avenue, San Rafael, California; and

WHEREAS, Resolution No. 2007-07 also approved a "Master Pledge and Assignment" agreement dated as of March 1, 2007 between the San Rafael RDA and Citicorp North America, Inc., as agent, and Citibank N.A. as purchaser/holder of the Bonds; and

WHEREAS, pursuant to the terms of the Master Pledge and Assignment the San Rafael RDA thereafter issued the Bonds and the proceeds of the Bonds were used to fund a loan in the total principal amount of \$6,000,000 from the San Rafael RDA to

Mercy Housing (the “Loan”) pursuant to a Loan Agreement between Mercy Housing and Citicorp North America, Inc. in its capacity as agent for the San Rafael RDA; and

WHEREAS, payments due to holders of the Bonds are payable from the rental income generated by Martinelli House, and in case of default, holders of the Bonds have recourse only to the Martinelli House property and not to the Successor Agency; and

WHEREAS, Citibank, N.A., the holder of the Bonds, is one of the largest lenders to the affordable housing industry, and in order to maintain its ability to provide loans to affordable housing projects at the pace the market demands, Citibank, N.A. desires to sell the Bonds to the California Housing Finance Agency (“CalHFA”) for deposit into a trust with other such loans, after which CalHFA will then issue new municipal securities backed by the loans; and

WHEREAS, Citibank N.A. affiliates will continue to service the Loan as before, and the proposed sale of the Bonds to CalHFA will not change the rights of the Successor Agency as the issuer of the Bonds, nor the terms and conditions under which Martinelli House operates; and

WHEREAS, an amendment to the Master Pledge and Assignment is required to authorize Citibank, N. A. to sell the Bonds to a governmental entity such as CalHFA; and

WHEREAS, the Successor Agency’s bond counsel has advised that the proposed “Amendment to Master Pledge and Assignment”, in the form attached to the Staff Report accompanying this resolution, does not create additional risk or other detriment to the Successor Agency;

NOW, THEREFORE, BE IT RESOLVED by the San Rafael Successor Agency Board that it consents to and authorizes the Executive Director to sign the proposed “Amendment to Master Pledge and Assignment” in the form attached to the Staff Report, subject to final approval as to form by the City Attorney.

I, **LINDSAY LARA**, Secretary of the San Rafael Successor Agency, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the Board of the San Rafael Successor Agency, held on Monday, the 2nd day of December 2019, by the following vote, to wit:

AYES: Members:

NOES: Members:

ABSENT: Members:

LINDSAY LARA, Secretary

AMENDMENT TO MASTER PLEDGE AND ASSIGNMENT

by and among

SAN RAFAEL REDEVELOPMENT AGENCY,
as the Issuer

and

CITICORP NORTH AMERICA, INC.,
as the Agent

and

CITIBANK, N.A.,
as the Holder

dated as of _____, 2019

relating to:

\$6,000,000
Original Principal Amount
San Rafael Redevelopment Agency
Multifamily Housing Revenue Bonds
(Martinelli House Project)
2007 Series A

AMENDMENT TO MASTER PLEDGE AND ASSIGNMENT

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AMENDMENT TO MASTER PLEDGE AND ASSIGNMENT

This **AMENDMENT TO MASTER PLEDGE AND ASSIGNMENT** dated as of _____, 2019 (this "**Amendment**"), by and among **CITICORP NORTH AMERICA, INC.** (together with any successor to its rights, duties and obligations hereunder, the "**Agent**"), **CITIBANK, N.A.** (together with any successor to its rights, duties and obligations hereunder, the "**Holder**"), and **SAN RAFAEL REDEVELOPMENT AGENCY** (together with any successor to its rights, duties and obligations hereunder, the "**Issuer**").

A. Pursuant to the terms of that certain Master Pledge and Assignment dated as of March 1, 2007 (the "**Original Master Pledge**"), the Issuer issued its Multifamily Housing Revenue Bonds in the maximum principal amount of \$6,000,000 (the "**Bonds**").

B. The proceeds of the Bonds were used to fund a loan in the total principal amount of \$6,000,000 to Mercy Housing California XXXI, a California limited partnership (the "**Borrower**") from the Issuer pursuant to the Loan Agreement between the Borrower and the Agent, in its capacity as agent for the Issuer for the purposes described therein.

C. The Holder is now the holder of the Bonds under the Original Master Pledge.

D. The Issuer, the Agent and the Holder have agreed to make certain changes to the Original Master Pledge.

For and in consideration of the mutual agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. The capitalized words and terms used in this Amendment shall have the meanings as set forth in the Original Master Pledge, unless the context or use indicates a different meaning or intent, or unless a different meaning is ascribed to them herein.

Section 1.2. Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to included correlative words of the plural number and vice versa. This Amendment and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.3. Titles and Headings. The title and headings of the articles and sections of this Amendment have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Amendment or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

AMENDMENTS

Section 2.1. Amendment to Article I. Section 1.1 of the Original Master Pledge is hereby amended by (a) adding a new definition for “*Permitted Transferee*”:

“Permitted Transferee” means (1) a “qualified institutional buyer” (“QIB”) as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof (the “Securities Act”) that is a financial institution or commercial bank having capital and surplus of \$5,000,000,000 or more, (2) an affiliate of the Holder, (3) a trust or custodial arrangement established by the Holder or one of its affiliates or any state or local government or any agency or entity which is a political subdivision of a federal, state or local government (a “Governmental Entity”), in each case (i) the beneficial interests in which will be owned only by QIBs or (ii) the beneficial interests in which will be rated in the “BBB” category or higher without regard to modifier (or the equivalent investment grade category) by at least one nationally recognized rating agency, or (4) a Governmental Entity.

(b) adding a new definition for “*Minimum Beneficial Ownership Amount*”:

“Minimum Beneficial Ownership Amount” means an amount no less than fifteen percent (15%) of the outstanding principal amount of the Bonds.

(c) adding a new definition for “*Required Transferee Representations*”:

“Required Transferee Representations” means the representations in substantially the form attached to this Pledge and Assignment as Exhibit B.

Section 2.2. Amendments to Article IV. (a) Section 2.8 of the Original Master Pledge is hereby amended and restated in its entirety as follows:

“The Bonds shall be in fully registered form, registered in the name of the Holder upon registration books of the Issuer at the office of the Agent, such registration to be noted on the Bonds, after which no transfer shall be valid unless made in compliance with this Section 2.8 to a Permitted Transferee.

The Bonds shall be sold, assigned, transferred or otherwise disposed of only in the Authorized Denomination. Notwithstanding the other provisions of this Section 2.8, no beneficial ownership interest in the Bonds shall be sold in an amount that is less than the Minimum Beneficial Ownership Amount; provided, however, that beneficial ownership interests in the Bonds described in clause (3) of the definition of ‘Permitted Transferee’ may be sold in any amount without regard to the Minimum Beneficial Ownership Amount. The Bonds shall be transferable upon said registration books by the Holder in person or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Agent, duly executed by the registered Holder or its duly authorized attorney. Upon such transfer, the Agent will note the date of registration and the name and address of the newly registered Holder on the books of the Issuer and on the Bonds. The Issuer and the Agent may deem and treat the person in whose name the Bond is last registered upon the books of the Issuer, with such registration noted on the Bond, as the absolute owner thereof for the purpose of receiving payment of or on account

of the principal, or interest, premium and late payment fees and for all other purposes; all such payments so made to the registered Holder or upon its order shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

In connection with any transfer of Bonds or a participation interest in the Bonds, each Permitted Transferee must execute and deliver to the Holder, with a copy to the Issuer, the Required Transferee Representations; provided, however, that no Required Transferee Representations shall be required to be delivered by transferees or beneficial interest holders described in clauses (3) or (4) of the definition of ‘Permitted Transferee.’”

Section 2.3. Amendment to add new Exhibit B, a form of Required Transferee Representations, as follows:

Exhibit B to the Original Master Pledge shall be amended and restated as follows:

EXHIBIT B

FORM OF REQUIRED TRANSFEREE REPRESENTATIONS

_____, 20__

The undersigned, as holder (the “Holder”) of the Bonds (the “Bonds”) in the original amount of \$6,000,000 issued by San Rafael Redevelopment Agency (the “Issuer”) originated under a Master Pledge and Assignment dated as of March 1, 2007 (the “Master Pledge”) among the Issuer, the Agent and the Holder named therein, hereby represents that:

1. The Holder has sufficient knowledge and experience in financial and business matters with respect to the evaluation of residential real estate developments such as the Project to be able to evaluate the risk and merits of the investment represented by the Bonds. We are able to bear the economic risks of such investment.

2. The Holder acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Holder has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, [the Project] [the use of proceeds of the Loan] and the Loan and the security therefor so that, as a reasonable investor, the Holder has been able to make its decision to [extend/purchase] the Bonds [or an interest therein]. The Holder acknowledges that it has not relied upon the Issuer for any information in connection with the Holder’s purchase of the Bonds [or an interest therein].

3. The Holder is a Permitted Transferee.

4. The Holder acknowledges that it is purchasing [an interest in] the Bonds for investment for its own account and not with a present view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise dispose of all or any part of its interests in the Loan; provided, however, that the Holder may sell or transfer the Bonds as provided in Section 2.8 of the Master Pledge.

5. In the event any placement memorandum to be provided to any subsequent buyer or beneficial owner of such portion of the Bonds will disclose information with respect to the Issuer other than its name, location and type of political subdivision and general information with respect to the Bonds and the related

documents, the Holder will provide the Issuer with a draft of such placement memorandum and the Issuer shall have the right to approve any description of the Issuer therein (which approval shall not be unreasonably withheld).

6. The Holder understands that the Bonds are a limited obligation of the Issuer; payable solely from funds and moneys pledged and assigned under the Master Pledge, and that the liabilities and obligations of the Issuer with respect to the Bonds are expressly limited as set forth in the Master Pledge and related documents.

7. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Master Pledge.

ARTICLE III

MISCELLANEOUS

Section 3.1. Ratification of the Original Master Pledge. Except as supplemented and amended hereby, the Original Master Pledge is in all respects ratified and confirmed and the Original Master Pledge as so supplemented and amended hereby shall be read, taken and construed as one and the same instrument. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Master Pledge as supplemented and amended hereby, shall be deemed to be incorporated in, and made a part of, this Amendment, and the Original Master Pledge as supplemented and amended by this Amendment and as otherwise supplemented and amended is in all respects ratified and confirmed.

Section 3.2. Authorization of Amendment. This Amendment shall be construed as having been authorized, executed and delivered under the provisions of Section 10.8 of the Original Master Pledge.

Section 3.3. Binding Effect. This Amendment shall inure to the benefit of and shall be binding upon the Issuer, the Agent and the Holder and their respective successors and assigns.

Section 3.4. Severability. If any provision of this Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatsoever.

Section 3.5. Governing Law. This Amendment shall be governed exclusively by and construed in accordance with the internal laws of the State applicable to contracts made and performed in the State.

Section 3.6. Inclusion as Part of the Master Pledge. This Amendment on its delivery shall be a part of the Master Pledge and all references herein to “Master Pledge” shall include reference to this Amendment as well as the Original Master Pledge.

Section 3.7. Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page for Martinelli House Project Master Pledge and Assignment Amendment]

IN WITNESS WHEREOF, the parties have executed this Amendment to Master Pledge and Assignment, all as of the date first above written.

SAN RAFAEL REDEVELOPMENT AGENCY

By: _____
Authorized Signatory

CITIBANK, N.A., as Holder

By: _____
Name:
Title: Vice President
Citi Deal ID #20118

CITICORP NORTH AMERICA, INC., as Agent

By: _____
Name:
Title: Vice President