



## AGENDA

**SAN RAFAEL CITY COUNCIL – MONDAY, SEPTEMBER 21, 2020**

**REGULAR MEETING AT 7:00 P.M.**

**Telephone: (669) 900-9128,**

**ID: 850-6400-3042#**

### **CORONAVIRUS (COVID-19) ADVISORY NOTICE**

In response to Executive Order N-29-20, the City of San Rafael will no longer offer an in-person meeting location for the public to attend. This meeting will be streamed through YouTube Live at [www.youtube.com/cityofsanrafael](http://www.youtube.com/cityofsanrafael). Comments submitted via YouTube Live must be submitted according to the directions located on the YouTube video description. The City is not responsible for any interrupted service. To ensure the City Council receives your comments, submit written comments to the City Clerk prior to the meeting. For more information regarding real-time public comments, please visit our Live Commenting Pilot page at <https://www.cityofsanrafael.org/live-commenting-pilot/>.

Want to listen to the meeting and comment in real-time over the phone? Call the telephone number listed on this agenda and dial the Meeting ID when prompted. Feel free to contact the City Clerk's office at 415-485-3066 or by email to [lindsay.lara@cityofsanrafael.org](mailto:lindsay.lara@cityofsanrafael.org) if you have any questions.

Any member of the public who needs accommodations should contact the City Clerk (email [lindsay.lara@cityofsanrafael.org](mailto:lindsay.lara@cityofsanrafael.org) or phone at 415-485-3066) who will use their best efforts to provide reasonable accommodations to provide as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

### **OPEN SESSION - (669) 900-9128 – ID: 833-6460-7513#- 6:00 PM**

1. Mayor Pro Tem Colin to announce Closed Session item.

### **CLOSED SESSION - (669) 900-9128 – ID: 833-6460-7513#- 6:00 PM**

2. Closed Session:
  - a. Conference with Legal Counsel—Anticipated Litigation  
Government Code §54956.9(d)(2) and (e)(5) Significant Exposure to Litigation (One Case)

**REGULAR MEETING AT 7:00 P.M.**

**Telephone: (669) 900-9128,**

**ID: 850-6400-3042#**

### **CITY MANAGER'S REPORT:**

3. City Manager's Report:

### **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.

**CONSENT CALENDAR:**

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

4. Consent Calendar Items:

a. **Approval of Minutes**

Approve Minutes of City Council / Successor Agency Regular Meeting of Tuesday, September 8, 2020 (CC)

*Recommended Action – Approve minutes as submitted*

b. **Conflict of Interest Code**

Resolution Repealing Resolution No. 14636, Re-Adopting the Fair Political Practices Commission Model Conflict of Interest Code As the City's Conflict of Interest Code, and Adopting a Revised List of Designated Employee Positions and Disclosure Categories, to be Incorporated Into the City's Conflict of Interest Code (CC)

*Recommended Action – Adopt Resolution*

c. **Fiscal Year 2019-2020 City-wide Budget Amendments and Fiscal Year 2020-2021 Update**

i. Resolution Adopting Amendments to the City of San Rafael Budget for Fiscal Year 2019-2020 for the Purpose of Confirming Authorized Appropriations and Transfers (Fin)

*Recommended Action – Adopt Resolution*

ii. Resolution Adopting Amendments for Fiscal Year 2020-2021 for the Purposes of San Rafael Sanitation District Personnel Changes (Fin)

*Recommended Action – Adopt Resolution*

d. **Police Department Copy/Print Hardware Lease and Services**

Resolution Authorizing the City Manager to Execute a Copy/Print Hardware Lease and Services Agreement with Ray Morgan Company, for a 39-Month Term at an Estimated Annual Cost of \$50,277 (PD)

*Recommended Action – Adopt Resolution*

**OTHER AGENDA ITEMS**

5. Other Agenda Items:

a. **Measures to Facilitate Housing Development & Streamline Approvals**

Summary Report on Potential Amendments to the San Rafael Municipal Code to Facilitate Housing Development and Streamline Approvals (CD)

*Recommended Action – Accept report (including September 8, 2020 Informational Report by reference) and direct staff to proceed as recommended in the report.*

**b. Homeless Report**

Informational Report on Status of Homelessness in San Rafael (CM)

*Recommended Action – Accept Report and Provide Direction to Staff*

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

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

6. Councilmember Reports:

**SAN RAFAEL SUCCESSOR AGENCY:**

1. Consent Calendar: - None.

**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 online. Sign Language interpreters may be requested by calling (415) 485-3066 (voice), emailing [Lindsay.lara@cityofsanrafael.org](mailto:Lindsay.lara@cityofsanrafael.org) or using the California Telecommunications Relay Service by dialing "711", at least 72 hours in advance of the meeting. Copies of documents are available in accessible formats upon request.*



**MINUTES**

**SAN RAFAEL CITY COUNCIL – TUESDAY, SEPTEMBER 8, 2020**

**REGULAR MEETING AT 7:00 P.M.**

**Telephone: (669) 900-9128,**

**ID: 817-3692-0337#**

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- Present: Mayor Phillips  
Vice Mayor Colin  
Councilmember Bushey  
Councilmember Gamblin
- Absent: Councilmember McCullough
- Also Present: City Manager Jim Schutz  
City Attorney Rob Epstein  
City Clerk Lindsay Lara

**OPEN SESSION - (669) 900-9128 – ID: 853-5365-8122 - 6:45 PM**

1. Mayor Phillips announced Closed Session items.

**CLOSED SESSION - (669) 900-9128 – ID: 853-5365-8122 - 6:45 PM**

2. Closed Session:
  - a. Conference with Legal Counsel—Existing Litigation  
Government Code Section 54956.9(d)(1)  
Name of Case: State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al., Sacramento County Superior Court Case No. 34-2012-00127517

**REGULAR MEETING AT 7:00 P.M.**

**Telephone: (669) 900-9128,**

**ID: 817-3692-0337#**

Mayor Phillips called the meeting to order at 7:02 p.m. and invited City Clerk Lindsay Lara to call the roll. All members of the City Council were present, except for Councilmember McCullough.

City Clerk Lindsay Lara informed the community the meeting would be streamed live to YouTube and members of the public would provide public comment either on the telephone or through YouTube live chat. She explained the process for community participation through the telephone and on YouTube.

City Attorney Rob Epstein announced that no reportable action was taken in Closed Session

**CITY MANAGER'S REPORT:**

3. City Manager's Report:

City Manager Jim Schutz reported on:

- San Rafael Community Center Cooling Center due to the extreme heat
- the Red Flag warning
- COVID-19 updates, including the Canal WiFi Project and remote learning programs at the Al Boro and San Rafael Community Centers

City Manager Jim Schutz announced:

- Marin Wildfire Prevention Authority's Citizens' Oversight Committee vacancies and application deadline of September 23
- Public meeting regarding the Third Street Corridor Project to be held on September 23 at 6:00 p.m.

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

Mayor Phillips invited public comment

Correspondence in real-time through YouTube or telephone

- Tim Flanagan, Solano County Chief Information Officer and Registrar of Voters, addressed the City Council expressing his thanks for San Rafael's work on the Sonoma Recovers website.

**CONSENT CALENDAR:**

Mayor Phillips invited public comment on the Consent Calendar; however, there was none

Councilmember Bushey moved and Councilmember Gamblin seconded to approve the Consent Calendar

4. Consent Calendar Items:

a. **Approval of Minutes**

**Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, August 17, 2020 (CC)**

*Approved minutes as submitted*

- b. **Communications Site License Agreement with Marin Emergency Radio Authority (MERA) for Telecommunications Facilities Near 70 Skyview Terrace  
Resolution Approving and Authorizing the City Manager to Execute a Communications Site License Agreement with Marin Emergency Radio Authority (MERA) for Installation of Telecommunications Facilities Near 70 Skyview Terrace (CM)**

*Resolution 14852 - Resolution Approving and Authorizing the City Manager to Execute a Communications Site License Agreement with Marin Emergency Radio Authority (MERA) for Installation of Telecommunications Facilities Near 70 Skyview Terrace*

- c. **Agreement to Participate in Emergency Medical Service/Ambulance Transport Service Cost Recovery Program  
Resolution Authorizing the City Manager to Execute an Agreement to Allow the San Rafael Fire Department to Participate In An Intergovernmental Transfer with the California Department of Health Care Services (DHCS) In Order to Increase the Department's Reimbursement for Emergency Medical Service Ambulance Transport Services for the Service Periods of July 1, 2019 Through June 30, 2020 and July 1, 2020 Through December 31, 2020 (FD)**

*Resolution 14853 - Resolution Authorizing the City Manager to Execute an Agreement to Allow the San Rafael Fire Department to Participate In An Intergovernmental Transfer with the California Department of Health Care Services (DHCS) In Order to Increase the Department's Reimbursement for Emergency Medical Service Ambulance Transport Services for the Service Periods of July 1, 2019 Through June 30, 2020 and July 1, 2020 Through December 31, 2020*

- d. **Office of Traffic Safety Grant Acceptance  
Resolution Approving Use of State of California Office of Traffic Safety Grant Funds in the Amount of \$117,500 for the "Selective Traffic Enforcement Program" ("STEP") Grant from October 1, 2020 Through September 30, 2021, and Authorizing the City Manager to Execute a Grant Agreement and Any Other Documents Related to the Grant (PD)**

*Resolution 14854 - Resolution Approving Use of State of California Office of Traffic Safety Grant Funds in the Amount of \$117,500 for the "Selective Traffic Enforcement Program" ("STEP") Grant from October 1, 2020 Through September 30, 2021, and Authorizing the City Manager to Execute a Grant Agreement and Any Other Documents Related to the Grant*

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

**OTHER AGENDA ITEMS**

5. Other Agenda Items:

- a. **[Measures to Facilitate Housing Development & Streamline Approvals](#)**

**Informational Report on Potential Amendments to the San Rafael Municipal Code (SRMC) to Facilitate Development and Streamline Approvals (CD)**

Paul Jensen, Community Development Director, Ethan Guy, Principal Analyst and Alicia Giudice, Principal Planner presented the staff report

Councilmembers provided comments

Mayor Phillips invited public comment

**Speakers:** Diane Henderson-Glischinski - San Rafael Chamber of Commerce, Bill Carney - Sustainable San Rafael, David Smith, Linda Haumann, Victoria DeWitt, Joanne Webster - San Rafael Chamber of Commerce, Cheryl Douglas, Chris Hart, Joshua Townsend - San Rafael Chamber of Commerce, Shirley Fischer, Name withheld, Salamah Locks, Kate Powers, Name withheld, Name withheld, Name withheld, Name withheld, John Reynolds

Staff responded to public comment

Staff responded to comments and questions from Councilmembers

Councilmembers provided high-level policy direction to staff to pursue inclusionary housing requirements as listed in scenario 3 of the staff report; to pursue completion of SRMC amendments to the density bonus provisions as outlined in the staff report; to pursue completion of SRMC amendments to the Appeal and Hillside Exception processes, small lots, and height bonus provisions as outlined in the staff report; and to proceed with piloting the Design Review Advisory Committee that will include measures for public participation, include variations of review based on project type and size, and using Planning Commission first sequence of review for larger projects.

Councilmember Bushey moved and Councilmember Gamblin seconded to continue item 5.a to the meeting of September 21, 2020 and for staff to take such actions as discussed

*Continued to next meeting*

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

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

6. Councilmember Reports: - None.

**SAN RAFAEL SUCCESSOR AGENCY:**

1. Consent Calendar: - None.

**ADJOURNMENT:**

Mayor Phillips adjourned the meeting at 9:45 p.m.

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

APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2020

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

DRAFT





**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: City Clerk

Prepared by: Lindsay Lara, City Clerk

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

**TOPIC: CONFLICT OF INTEREST CODE**

**SUBJECT: RESOLUTION REPEALING RESOLUTION NO. 14636, RE-ADOPTING THE FAIR POLITICAL PRACTICES COMMISSION MODEL CONFLICT OF INTEREST CODE AS THE CITY'S CONFLICT OF INTEREST CODE, AND ADOPTING A REVISED LIST OF DESIGNATED EMPLOYEE POSITIONS AND DISCLOSURE CATEGORIES, TO BE INCORPORATED INTO THE CITY'S CONFLICT OF INTEREST CODE**

**RECOMMENDATION:**

Adopt a resolution repealing Resolution 14636, re-adopting the [Fair Political Practices Commission](#) (FPPC) Model Conflict of Interest Code as the City's Conflict of Interest Code, and adopting a revised list of designated employee positions and disclosure categories, to be incorporated into the City's Conflict of Interest Code.

**BACKGROUND:**

FPPC regulations require that, in every even-numbered year, each public agency review and, if necessary, revise that portion of the Conflict of Interest Code containing the agency's lists of designated positions and disclosure categories. These lists have been formulated using the criteria from FPPC regulations requiring that all local officials, who foreseeably may materially affect their private economic interests through the exercise of their public duties, disclose their economic interests by filing a Statement of Economic Interest (Form 700). Some officials are required to file disclosure statements because of their position, and others are required to file because of their duties.

In compliance with this FPPC requirement, the City Clerk worked with City departments to review and, if necessary, revise their lists of designated positions and disclosure categories to reflect the City's current organizational structure. These lists have now been revised with that information.

In addition, the FPPC has interpreted the Political Reform Act (PRA) to apply to members of those City boards and commissions with "decision-making authority," as well as to certain consultants. Boards and Commissions are considered to have "decision-making authority" if historically the recommendations of those boards and commissions have been routinely adopted by the City Council. Consultants are

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

considered “public officials” for purposes of the PRA if they either serve in the capacity of a staff member or make recommendations that are routinely adopted by the City. The various City departments have provided updated information regarding the applicability of these regulations to their respective consultants as well as their boards and commissions, and that information has been used to update the Conflict of Interest Code.

A copy of this staff report will be provided to all those who will be required to file for the first time.

Copies of all statements of economic interest are kept on file in the City Clerk’s office for public review.

The disclosure requirements for Mayor, City Councilmembers, City Manager, City Attorney, City Treasurer, and the Planning Commissioners are set forth in Government Code Sections 87200-87210, and are not included in the City’s Code. These officials are covered under separate regulations and their disclosure statements are filed with the FPPC in Sacramento, with copies kept on file in the City Clerk’s office for public review.

**FISCAL IMPACT:**

There is no fiscal impact associated with this item.

**ACTION:**

Adopt a resolution repealing Resolution 14636, re-adopting the [Fair Political Practices Commission](#) (FPPC) Model Conflict of Interest Code as the City’s Conflict of Interest Code, and adopting a revised list of designated employee positions and disclosure categories, to be incorporated into the city’s conflict of interest code.

**ATTACHMENTS:**

1. Resolution for adoption, including Appendices A and B (redlined)
2. Model FPPC Conflict of Interest Code (2 CCR Section 18730)

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL REPEALING RESOLUTION 14636, RE-ADOPTING THE FAIR POLITICAL PRACTICES COMMISSION MODEL CONFLICT OF INTEREST CODE AS THE CITY'S CONFLICT OF INTEREST CODE, AND ADOPTING A REVISED LIST OF DESIGNATED EMPLOYEE POSITIONS AND DISCLOSURE CATEGORIES, TO BE INCORPORATED INTO THE CITY'S CONFLICT OF INTEREST CODE**

**WHEREAS**, pursuant to California Government Code Sections 81000, et seq. (The Political Reform Act, or PRA), the City Council has adopted by Resolution from time to time the Fair Political Practices Commission's (FPPC) model Conflict of Interest Code, contained in Title 2, California Code of Regulations, Section 18730, as the City's Conflict of Interest Code, and adopted therewith designated employee positions and disclosure categories for incorporation into the City's Conflict of Interest Code, most recently by Resolution No. 14566; and

**WHEREAS**, every even-numbered year every state agency and local governmental agency is required to review and, if necessary, revise its Conflict of Interest Code, including reviewing and revising its list of designated employee positions and its list of disclosure categories, so as to incorporate such changes as the new titles of recently hired employees, deleted positions, and other organizational restructuring; and

**WHEREAS**, the City Council has determined that the attached Appendices A and B accurately set forth those designated employee positions (Appendix A - Designated Employees) and disclosure categories of financial interest (Appendix B - Disclosure Categories), which should be made reportable under the City's Conflict of Interest Code; and

**WHEREAS**, the City Council desires to continue to use the FPPC's model Conflict of Interest Code, as set forth in Title 2, California Code of Regulations Section 18730, as the City's Conflict of Interest Code, a copy of which is available for public review in the City Clerk's office;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES AS FOLLOWS:**

1. Resolution 14636 is hereby repealed.
2. The FPPC's model Conflict of Interest Code, as set forth in Title 2, California Code of Regulations Section 18730, is hereby re-adopted as the City's Conflict of Interest Code.
3. The attached list of designated employee positions (Appendix A) and list of disclosure categories (Appendix B) are hereby adopted and incorporated into the City of San Rafael's Conflict of Interest Code.
4. The officials and employees holding designated positions shall file Statements of Economic Interests (Form 700) as required by regulations of the FPPC and by Section 4 (C) of the City's Conflict of Interest Code, with the City Clerk, and the City Council hereby delegates the authority of filing officer to the City Clerk.

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 on Monday, the 21<sup>st</sup> day of September 2020 by the following vote, to wit:

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

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

Attached:

1. Appendix A - Designated Employees
2. Appendix B - Disclosure Categories

**APPENDIX A**  
**Designated Employees**

<b><u>DEPARTMENT</u></b>	<b><u>POSITION</u></b>	<b><u>DISCLOSURE CATEGORY</u></b>
All Departments	Associate Management Analyst	1, 2
	Management Analyst	1, 2
	Senior Management Analyst	1, 2
	Administrative Analyst	1, 2
	Professional Analyst (Fixed Term)	1, 2
	Business Systems Analyst (Fixed Term)	1, 2
City Attorney	Assistant City Attorney	1, 2
	Deputy City Attorney II	1, 2
City Clerk	City Clerk	1, 2
	Deputy City Clerk	1, 2
City Manager	Assistant City Manager	1, 2
	Director of Homeless Planning & Outreach	1, 2
	Director of Economic Development and Innovation	1, 2
	Economic Development Program Coordinator	1, 2
	Sustainability and Volunteer Program Coordinator	1, 2
Community Development	Community Development Director	1, 2
	Planning Manager	1, 2
	Senior Planner	1, 2
	Associate Planner	1, 2
	Assistant Planner	1, 2
	Planning Technician	1, 2
	Senior / Code Enforcement Supervisor	1, 2
	Code Enforcement Official III	1, 2
	Code Enforcement Official II	1, 2
	Code Enforcement Official I	1, 2
	Chief Building Official	1, 2
	Permit Services Coordinator	1, 2
	Senior Building Inspector	1, 2
	Building Inspector II	1, 2
	Building Inspector I	1, 2
Digital Service and Open Government	Director of Digital Service and Open Government	1, 2
	Technology Operations Manager	1, 2
	Data & Infrastructure Manager	1, 2
	Civic Design Manager	1, 2
	Network Analyst	3a, 3d, 3g
	GIS Analyst	3e, 3g
Fire	Fire Chief	1, 2
	Deputy Fire Chief	1, 2
	Battalion Chief – Operations	1, 2
	Battalion Chief – Administration	1, 2
	Administrative Fire Captain	2, 3d, 3e, 3g
	Deputy Fire Marshal	1, 2
	Fire Prevention Specialist	2, 3d, 3e, 3g
	Fire Prevention Inspector II	2, 3d, 3e, 3g
	Fire Prevention Inspector I	2, 3d, 3e, 3g
	Environmental Management Coordinator	2, 3d, 3e, 3g
	Emergency Management Coordinator	2, 3d, 3e, 3g

<u>DEPARTMENT</u>	<u>POSITION</u>	<u>DISCLOSURE CATEGORY</u>
	Vegetation Management Specialist	2, 3d, 3e, 3g
Finance	Accounting Manager	1, 2
	Revenue Supervisor	1, 2
	<del>ERP Project Manager (Fixed Term)</del>	<del>1, 2</del>
	Principal Accountant	1, 2
	Senior Accountant	1, 2
	Payroll <del>Administrator</del> <u>Technician</u>	3a, 3c, 3g
<u>Human Resources</u>	<del>Human Resources Director</del> <u>Director of Employee Experience and Culture</u>	1, 2
	Human Resources <del>Coordinator</del> <u>Operations Manager</u>	1, 2
<u>Library and Recreation</u>	<del>Community Services Director</del> <u>Library and Recreation Director</u>	1, 2
	<del>Assistant Library and Recreation Director</del>	<del>1, 2</del>
	Senior Recreation Supervisor	3a, 3b, 3f, 3g
	<del>Recreation Supervisor</del>	<del>3a, 3b, 3f, 3g</del>
	Program Coordinator	3a, 3b, 3f, 3g
	<del>Recreation Coordinator</del>	<del>3a, 3b, 3f, 3g</del>
	<del>Events Coordinator</del>	<del>1, 2</del>
	<u>Supervising Librarian</u>	<u>3a, 3b, 3f, 3g</u>
	<u>Librarian I/II</u>	<u>3a, 3b, 3f, 3g</u>
<u>Parking Services</u>	Parking Services Manager	1, 2
	Parking Operations Supervisor	2, 3a, 3d, 3g
Police	Chief of Police	1, 2
	Police Captain	1, 2
	Police Lieutenant	1, 2
	Police Support Services Supervisor	3d, 3e, 3f, 3g
	Police Community Services Officer	3d, 3f, 3g
	<del>Youth Services Program Supervisor</del>	<del>3d, 3f, 3g</del>
Public Works	Public Works Director	1, 2
	Assistant Public Works Director / City Engineer	1, 2
	Deputy Public Works Director	1, 2
	Senior Civil Engineer	1, 2
	Associate Civil Engineer	1, 2
	Assistant Civil Engineer	1, 2
	Sr. Associate Engineer	1, 2
	Jr. Engineer	3e, 3g
	Engineering Technician I	3e, 3g
	Engineering Technician II	3e, 3g
	Traffic Engineer	1, 2
	Traffic Engineering Technician I	3e, 3g
	Traffic Engineering Technician II	3e, 3g
	Streets Maintenance Supervisor	1, 2
	Parks Maintenance Supervisor	1, 2
	Operations and Maintenance Manager	1, 2
	Facility Repair Supervisor	3d, 3e, 3f
	Shop & Equipment Supervisor	3d, 3e, 3f
	<u>Senior Project Manager</u>	<u>1, 2</u>
Sanitation District	District Manager / District Engineer	1, 2
	Sr. Civil Engineer	1, 2
	Associate Civil Engineer	1, 2
	Jr. Engineer	1, 2
	Sewers Maintenance Supervisor	3d, 3e, 3f

<u>DEPARTMENT</u>	<u>POSITION</u>	<u>DISCLOSURE CATEGORY</u>
	Sewer Maintenance Superintendent	3d, 3e, 3f
Boards & Commissions	Design Review Board	1, 2
	Park & Recreation Commission	1, 2
Consultants **		1, 2

\*\* With respect to Consultants, the relevant department director may determine in writing that a particular consultant is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in these categories. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The department director shall forward a copy of this determination to the City Clerk. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

Designated Employees 2020

## **APPENDIX B**

### **Disclosure Categories**

Category 1: All investments and sources of income.

Category 2: All interests in real property in the jurisdiction of San Rafael or within 2 miles of the jurisdiction of San Rafael.

Category 3: Investments in business entities and sources of income of the type which have or foreseeably could contract with the City to provide services, supplies, materials, machinery, or equipment; or which could be enhanced when a designated employee makes or participates in making a decision.

- a. Personnel agencies or personnel consultants;
- b. Municode and Marin County newspapers;
- c. Financial institutions;
- d. Department record forms, communications equipment, safety equipment, firefighting or fire detection equipment, automotive or rolling stock sales, automotive parts or equipment, general departmental supplies or equipment;
- e. Building supplies or building, contractor, or construction firms;
- f. Travel agencies, recreation and athletic supplies, building maintenance and cleaning supplies;
- g. Book, software, and audio-visual publishers and distributors; computer equipment manufacturers and distributors.

#### **NOTE: PENALTY FOR LATE FILING:**

As required under the Political Reform Act of 1974, as amended, section 91013, if any person files an original statement after any deadline, he shall be liable in the amount of \$10.00 per day after the deadline until the statement is filed, up to a maximum of \$100.00, whichever is greater.



(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

**§ 18730. Provisions of Conflict of Interest Codes.**

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories

are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater than \$10,000, or greater than \$100,000;

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

(D) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$500.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$500 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected



officer has been elected or over which that elected officer's agency has direction and control.

This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of \$100 or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action.

Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$500 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The

fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

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<sup>1</sup> Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

<sup>2</sup> See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<sup>6</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

#### HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14).  
Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).

9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).
16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).



18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District,

nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of History 24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).

28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).

31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of*

*Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).

32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).

33. Amendment of subsections (b)(8.1)-(b)(8.1)(A), (b)(8.2)(E)3. and (b)(9)(E) filed 12-15-2014; operative 1-1-2015 pursuant to section 18312(e)(1)(A), title 2, California Code of Regulations.

Submitted to OAL for filing and printing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2014, No. 51).

34. Redesignation of portions of subsection (b)(8)(A) as new subsections (b)(8)(B)-(D), amendment of subsections (b)(8.1)-(b)(8.1)(A), redesignation of portions of subsection (b)(8.1)(A) as new subsections (b)(8.1)(B)-(C) and amendment of subsection (b)(9)(E) filed 12-1-2016; operative 12-31-2016 pursuant to Cal. Code Regs. tit. 2, section 18312(e). Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision,

April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2016, No. 49).

35. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-12-2018; operative 1-11-2019 pursuant to Cal. Code Regs., tit. 2, section 18312(e). Submitted to OAL for filing and printing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2018, No. 50).



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Finance

Prepared by: Nadine Atieh Hade,  
Finance Director

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

**TOPIC: FISCAL YEAR 2019-2020 CITY-WIDE BUDGET AMENDMENTS AND FISCAL YEAR 2020-2021 UPDATE**

**SUBJECT: RESOLUTION ADOPTING AMENDMENTS TO THE CITY OF SAN RAFAEL BUDGET FOR FISCAL YEAR 2019-2020 FOR THE PURPOSE OF CONFIRMING AUTHORIZED APPROPRIATIONS AND TRANSFERS AND RESOLUTION ADOPTING AMENDMENTS FOR FISCAL YEAR 2020-2021 FOR THE PURPOSES OF SAN RAFAEL SANITATION DISTRICT PERSONNEL CHANGES**

**RECOMMENDATION:** Accept report and adopt resolutions as presented.

**BACKGROUND:** During the process of developing and recommending the fiscal year 2020-2021 budget, staff provided updates on the fiscal performance of the General Fund and projections through fiscal year-end.

The fiscal year 2019-2020 City-wide budget was last amended by the [City Council on February 3, 2020](#), during an interim budget review. Since the close of the fiscal year on June 30, 2020, staff has reviewed the revenues and expenditures in the General Fund, special revenue funds and other special purpose funds. This review has yielded a small number of adjustments that are clean up in nature in special revenue funds and other special purpose funds and a request for an increase in appropriations in the General Fund. These budget adjustments are recommended by the City's outside auditors and their approval by the City Council provides for complete budget accountability.

The purpose of these amendments is to formally authorize the expenditures and transfers required in certain funds to fulfill their respective purposes and functions through June 30, 2020.

**ANALYSIS:**

General Fund

**Revenues and Other Sources:**

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FOR CITY CLERK ONLY

Council Meeting:

Disposition:

The City experienced a reduction in revenues for the Fiscal Year 2019-2020 as a result of the COVID-19 pandemic. Prior to the pandemic when Staff presented an interim financial update on February 3<sup>rd</sup>, revenues were forecasted to come in higher than originally budgeted due to higher than anticipated year-to-date activity both in sales tax and in the Community Development Department's plan check and building permit fees. Soon after, the pandemic hit and operations for March through June decreased substantially. The budget has not been updated to reflect final revenues as only appropriations are required to be updated and the City's practice is to review net operating results once the audit is completed.

The increases in revenues and other sources of \$36,149 detailed in the chart below are transfers from other funds to the General Fund to reimburse for expenses paid by the General Fund and allocable to other funds. These revenues are offset by the respective expenses paid so the net effect is zero.

**Expenditures and Other Uses:**

Within the first week of the COVID-19 pandemic, Staff proactively halted non-essential spending and froze all vacated positions. As a result of these actions taken early on and the creation of and adherence to the [COVID-19 Economic Recovery Plan](#), Staff were able to decrease operational expenses by more than \$4.5 million. However, there were several items that occurred during the close of the year which required additional expenses. These additional expenses netted against the \$4.5 million in savings result in a proposed expenditure request of \$497,562 presented in the table below.

- The Worker's Compensation Actuary Study which occurs every other year by a third-party consultant and determines the liability pertaining to our current and known claims increased by \$2.2 million.
- The General Liability Actuary Study which occurs every other year by a third-party consultant and determines the liability pertaining to our current and known claims increased by \$200,000.
- Not included in the General Liability Actuary Study are two other settlements in the amount of \$1,389,000 that needed to be accounted for.
- The City holds a pension obligation bond with principal and interest payments maturing in Fiscal Year 2025. An amount of \$1,364,125 has been set aside for this external debt obligation to cover the Fiscal Year 2021 and Fiscal Year 2022 payments.

Additionally, there were transfers from the General Fund to the City's Other Funds that were greater than originally budgeted by \$589,964. These types of transactions are usually year-end clean up items but for the current year, there were a few larger and not as likely transactions worth noting:

- A subsidy of \$250,000 from the General Fund to the Recreation Fund to cover lost revenues resulting from the COVID-19 Shelter-in-Place. Refunds had to be provided to customers who had already signed up for classes and reserved venues while revenues were lost for several months and continue to be for services we cannot currently offer.
- Reimbursement of \$103,243 and \$130,272 to other funds in which the other funds originally paid for expenses on behalf of the General Fund in prior years and after review of the transactional activity, it was determined the expenses were not eligible and should be paid for by the General Fund.

Therefore, Staff is requesting the approval of \$1,078,143 of expenditures and transfers out, detailed in the chart below.

<b>Resources</b>	
<b>Proposed revenue changes</b>	\$ 0
<b>Proposed transfers in changes</b> Reimbursement from other funds for expenses paid for through the General Fund	36,149
<b>Total proposed changes to resources</b>	<b>\$ 36,149</b>
<b>Uses</b>	
<b>Proposed expenditure changes</b> Liability related to worker's compensation, general liability and debt	\$ 497,562
General Fund match for Police Department vest grant	( 9,383)
<b>Proposed transfers out changes</b> Measure E sales tax increase transfer to Essential Facilities Fund (420)	97,066
Police Department vest grant match from the General Fund to the Safety Grant Fund (281)	9,383
Reimburse Successor Agency Fund (490) for disallowed expenditures from prior years	103,243
To cover losses incurred in the Recreation Fund (222) due to COVID-19 restrictions	250,000
Reimburse Grant Fund (283) for expenditures from prior years	130,272
<b>Total proposed changes to uses</b>	<b>\$1,078,143</b>
<b>Net proposed changes (Resources less Uses)</b>	<b>(\$1,041,994)</b>
Expenditures and Transfers out as adopted fiscal year 2019-2020	\$84,958,189
Expenditures and Transfers out as approved through June 30, 2020	\$85,448,253
Expenditures and Transfers out with proposed changes	\$86,526,395

Other Funds

Staff is requesting the approval of \$2,445,496 of increased resources of which \$878,800 pertains to a transfer from the Paramedic Tax Fund to the Essential Facilities Fund adhering to policy which states the Paramedic Tax Fund must maintain a 10% operations reserve and the remainder is to be transferred to the Essential Facilities Fund to support capital improvements for the paramedic program, \$250,000 pertains to the receipt of General Fund subsidy to assist the Recreation Fund, and the remainder are transfers within funds in order to properly account for funding for CIP projects and grants.

Staff is requesting the approval of \$2,320,277 of increased uses of which the bulk is to properly account for funding for CIP projects and grants, \$878,800 is for the transfer of funds from the Paramedic Tax Fund, \$287,753 is to increase the Cannabis Fund as revenues were higher than expected and eligible expenses were allocated to offset the revenues, and \$37,835 is to increase the budget to what was actually spent in four funds of which the additional expenses were offset by increased revenues for the respective funds.

Proposed changes to the Other Funds revenues, expenditures and transfers are detailed in the following table:

<b>Resources</b>	
<b>Proposed revenue changes</b>	\$ 0
<b>Proposed transfers in changes</b>	
Measure E sales tax increase transfer to Essential Facilities Fund (420)	\$ 97,066
Paramedic tax capital transfer to Essential Facilities Fund (420)	878,800
Police Department vest grant match from the General Fund to the Safety Grant Fund (281)	9,383
Reimbursement to the Grant Fund (283) for expenditures from prior years	130,272
To cover losses incurred in the Recreation Fund (222) due to COVID-19 restrictions	250,000
Transfers from various funds to properly account for funding for projects	1,079,975
<b>Total proposed changes to resources</b>	<b>\$2,445,496</b>
<b>Uses</b>	
<b>Proposed expenditure changes</b>	287,753
To increase Cannabis Fund (216) for eligible expenses to offset revenues	
Budget to actual variance of amount spent offset by revenues (Funds 234, 409,236 and 242)	37,835
<b>Proposed transfers out changes</b>	1,026,900
Transfers from the Traffic Mitigation Fund (246) to properly account for funding of projects	
Transfer from the Childcare Fund (208) to properly account for funding of projects	52,840
Transfer from the Development Fund (207) to properly account for funding of operations	13,041
Transfer from the Public Safety Grants Fund (281) to properly account for funding of operations	22,260
Transfer from the Loch Lomond CFD #10 Fund (236) to properly account for funding of operations	848
Paramedic tax capital transfer (210) to Essential Facilities Fund	878,800
<b>Total proposed changes to uses</b>	<b>\$2,320,277</b>
<b>Net proposed changes to Other Funds (Resources less Uses)</b>	<b>\$ 125,219</b>
Expenditures and Transfers out as adopted fiscal year 2019-2020	\$74,917,147
Expenditures and Transfers out as approved through June 30, 2020	\$90,266,988
Expenditures and Transfers out with proposed changes	\$92,587,265



The net impact of all proposed changes on Other Funds is \$125,219 of additional revenues.

## **FISCAL YEAR 2020-2021 UPDATE**

### **General Fund**

It is too early in the year to predict the status of revenues and expenses. However, based on the continued restricted nature of the COVID-19 State guidelines, the Shelter-in-Place has caused a tremendous slow-down for businesses and revenues have drastically declined. This economic instability will continue to affect the City of San Rafael in most areas of revenue generation as already forecasted in the [Fiscal Year 2020-2021](#) budget presented on June 15, 2020. Staff does not expect revenues to be more favorable and instead the City may experience more unfavorable revenue outcomes due to the prolonged Shelter-in-Place that was not fully accounted for during the budget preparation period. Staff continues to monitor revenues with focus on sales tax and transient occupancy tax and will provide updates in the coming months as information becomes available. Expenses are tracking as on budget and Departments are diligently keeping to the budget cuts made in March when COVID-19 first came about.

### **Personnel Update**

On June 30, 2020, the San Rafael Sanitation District's (SRSD) Board of Directors discussed the City's Mandatory Furlough Program. The Board considered the District's operating needs, and voted to continue full funding for SRSD employees, thereby opting out of the City's Furlough program. At the same time, City Staff had already updated salary schedules to reflect the 5% furlough across non-safety, represented and non-represented groups. Therefore, Staff is recommending an update of the salary schedules (attached) for groups that include SRSD employees, which will adjust all affected salaries as appropriate.

In addition, the SRSD Board approved a reclassification of the Sewer Maintenance Superintendent position to Operations and Maintenance Manager (SRSD). Both positions are in the Mid-Management salary group. The Operations and Maintenance Manager base salary is currently \$11,184 per month, which is 9.5% or \$970 per month more than the Sewer Maintenance Superintendent.

Lastly, Staff is requesting to reflect a previously approved position by the SRSD Board, Associate Civil Engineer to the City's current budget and Position Control report. This position was approved by the SRSD Board in 2018. Staff was unable to recruit and fill the Associate Civil Engineer position and is therefore requesting to update the City's Budget to reflect this vacancy in current headcount.

The SRSD Board has confirmed that the District has sufficient funding to support the mid-management reclassification, and funding for the new position, thereby adding no cost to the City for these personnel changes.

**FISCAL IMPACT:** This action authorizes the formal appropriation of resources in the 2019-2020 fiscal year to support the actual expenditure and transfer activity through June 30, 2020 as described in this report. No spending authority beyond what was actually spent or committed as of June 30, 2020 is created through this action.

This action also authorizes personnel changes for the San Rafael Sanitation District for Fiscal Year 2020-2021. The San Rafael Sanitation District reimburses the City of San Rafael for all expenses, therefore making the net cost zero.

**RECOMMENDATION:** Staff recommends that the City Council accept the report and adopt the Resolutions as presented.

**ATTACHMENT:**

1. Resolution approving Fiscal Year 2019-2020 amendments with Exhibit I
2. Resolution approving Fiscal Year 2020-2021 personnel amendments for San Rafael Sanitation District with salary schedules for Western Council of Engineers (WCE), SEIU Local 1021, Unrepresented Mid-Management Group and Unrepresented Executive Group

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL ADOPTING AMENDMENTS TO THE CITY OF SAN RAFAEL BUDGET FOR FISCAL YEAR 2019-2020 FOR THE PURPOSE OF CONFIRMING AUTHORIZED APPROPRIATIONS AND TRANSFERS**

**WHEREAS**, the City Council approved Resolution No. 14713 adopting the fiscal year 2019-2020 budget; and

**WHEREAS**, the City Council approved Resolution No. 14764 amending the fiscal year 2019-2020 budget, and took other actions during the year to authorize spending; and

**WHEREAS**, as part of the fiscal year-end closing process, staff has reviewed and analyzed actual revenues, expenditures and transfers through June 30, 2020, has identified a need for additional budget adjustments, and has submitted its analysis and recommendations in a report to the City Council; and

**WHEREAS**, after examination, deliberation and due consideration, the City Council has approved the same report and recommendations;

**NOW, THEREFORE, BE IT RESOLVED**, by the San Rafael City Council that Resolution No. 14713 for fiscal year 2019-2020 is further amended to authorize the following adjustments to resources and appropriations, which are reflected in the Consolidated Funds Schedule (Exhibit I attached hereto and incorporated herein by reference):

<b>Fund</b>	<b>Amount</b>
General Fund – 001 resources	\$ 36,149
General Fund – 001 appropriations	\$ 1,078,143
Essential Facilities Fund - 420	\$ 975,866
Safety Grants - 281	\$ 9,383
Grant Fund - 283	\$ 130,272
Recreation Fund - 222	\$ 250,000
Gas Tax Fund - 206	\$ 808,000
Building Maintenance Fund - 603	\$ 52,840
City Capital Improvement Fund - 401	\$ 218,900
Pt. San Pedro Assessment District - 409	\$ 235
<b>Total Other Funds resources</b>	<b>\$ 2,445,496</b>
Measure G – Cannabis – 216	\$ 287,753

Pt. San Pedro Maintenance Portion - 234	\$ 26,171
Measure C - Wildfire Prevention - 242	\$ 11,118
Pt. San Pedro Assessment District - 409	\$ 235
Loch Lomond A.D. Fund - 236	\$ 1,159
Traffic Mitigation Fund - 246	\$ 1,026,900
Childcare Fund - 208	\$ 52,840
Development Fund - 207	\$ 13,041
Safety Grants - 281	\$ 22,260
Paramedic Fund - 210	\$ 878,800
<b>Total Other Funds appropriations</b>	<b>\$ 2,320,277</b>

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on Monday, the 21<sup>st</sup> day of September 2020 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

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LINDSAY LARA, City Clerk

## Consolidated Funds Schedule

Figure 1

General Fund	Adopted Budget FY 2019-20	Approved Changes	Current Budget	Proposed Changes	Revised Budget
<b>Revenues *</b>	80,282,912	200,000	80,482,912	-	80,482,912
Transfers in	4,701,350		4,701,350	36,149	4,737,499
<b>FY19-20 Resources</b>	<b>84,984,262</b>	<b>200,000</b>	<b>85,184,262</b>	<b>36,149</b>	<b>85,220,411</b>
FY18-19 P.O. reserve	-	230,624	230,624	-	230,624
<b>Total Resources</b>	<b>84,984,262</b>	<b>430,624</b>	<b>85,414,886</b>	<b>36,149</b>	<b>85,451,036</b>
<b>Expenditures</b>	78,881,189	200,000	79,081,189	488,179	79,569,368
P.O. Rollover	-	230,624	230,624	-	230,624
Operating Transfer out	2,000,000	59,439	2,059,439	492,898	2,552,337
Capital Transfer out (from Measure E to SREF)	4,077,000	-	4,077,000	97,065	4,174,065
<b>Total Appropriations</b>	<b>84,958,189</b>	<b>490,063</b>	<b>85,448,252</b>	<b>1,078,142</b>	<b>86,526,395</b>

\* The budget has not been updated to reflect final revenues as only appropriations are required to be updated and the City's practice is to review net operating results once the external audit is completed.

Figure 2

Other Funds	Adopted Budget FY 2019-20	Approved Changes	Current Budget	Proposed Changes	Revised Budget
<b>Revenues</b>	47,056,328	5,833,504	52,889,832	-	52,889,832
Transfers in	6,248,000	419,607	6,667,607	2,445,495	9,113,103
<b>FY19-20 Sources</b>	<b>53,304,328</b>	<b>6,253,111</b>	<b>59,557,439</b>	<b>2,445,495</b>	<b>62,002,935</b>
FY18-19 Rollover		4,410,231	4,410,231		4,410,231
FY18-19 CIP Carry Over		-	-		-
<b>Total Resources</b>	<b>53,304,328</b>	<b>10,663,342</b>	<b>63,967,670</b>	<b>2,445,495</b>	<b>66,413,165</b>
<b>Expenditures</b>	70,044,797	14,989,673	85,034,470	325,588	85,360,058
Transfer out	4,872,350	360,168	5,232,518	1,994,689	7,227,207
<b>Total Appropriations</b>	<b>74,917,147</b>	<b>15,349,841</b>	<b>90,266,988</b>	<b>2,320,277</b>	<b>92,587,265</b>

Figure 3

All Funds	Adopted Budget FY 2019-20	Approved Changes	Current Budget	Proposed Changes	Revised Budget
General Fund	84,958,189	490,063	85,448,252	1,078,142	86,526,395
Other Funds	74,917,147	15,349,841	90,266,988	2,320,277	92,587,265
<b>Total Expenditures and transfers</b>	<b>159,875,336</b>	<b>15,479,736</b>	<b>175,355,072</b>	<b>3,398,420</b>	<b>178,753,492</b>

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
RAFAEL ADOPTING AMENDMENTS FOR FISCAL YEAR 2020-2021  
FOR THE PURPOSES OF SAN RAFAEL SANITATION DISTRICT  
PERSONNEL CHANGES**

**WHEREAS**, the City Council approved Resolution No. 14830 adopting the fiscal year 2020-2021 budget; and

**WHEREAS**, the changes in available funding sources and operational needs require adjustments to some City budgets; and

**WHEREAS**, the San Rafael Sanitation District has approved the recommended staffing changes; and

**WHEREAS**, the San Rafael Sanitation District will reimburse the City of San Rafael for all expenses pertaining to these changes; and

**WHEREAS**, after examination, deliberation and due consideration, the City Council has approved the staff report and recommendations and directs the City Manager to proceed with the implementation of these recommendations;

**NOW, THEREFORE, BE IT RESOLVED**, by the San Rafael City Council that Resolution No. 14830 for fiscal year 2020-2021 is amended to increase total general fund expenditures to account for the San Rafael Sanitation District personnel actions presented in the staff report of September 21, 2020.

**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 on Monday, the 21<sup>st</sup> day of September 2020, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

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LINDSAY LARA, City Clerk

**SAN RAFAEL UNREPRESENTED EXECUTIVE MANAGEMENT  
SALARY SCHEDULE  
Effective July 1, 2020**

*Note: The Salary Schedule below reflects a 5% furlough reduction for FY 20/21 (\*except Safety and SRSD)*

Grade	Position	A	B	C	D	E
2501	Assistant City Attorney	\$ 10,725	\$ 11,261	\$ 11,824	\$ 12,415	\$ 13,036
2001	Assistant City Manager	\$ 12,686	\$ 13,321	\$ 13,987	\$ 14,686	\$ 15,420
2300	Community Development Director	\$ 12,377	\$ 12,995	\$ 13,645	\$ 14,327	\$ 15,044
4205	Director of Digital Service & Open Government	\$ 11,215	\$ 11,776	\$ 12,365	\$ 12,983	\$ 13,632
2801	Director of Economic Development & Innovation	\$ 11,215	\$ 11,776	\$ 12,364	\$ 12,983	\$ 13,632
2140	Finance Director	\$ 11,215	\$ 11,776	\$ 12,364	\$ 12,983	\$ 13,632
1106	Human Resources Director	\$ 11,215	\$ 11,776	\$ 12,364	\$ 12,983	\$ 13,632
2406	Library and Recreation Director	\$ 11,780	\$ 12,369	\$ 12,987	\$ 13,637	\$ 14,318
2201	Public Works Director	\$ 12,377	\$ 12,995	\$ 13,645	\$ 14,327	\$ 15,044

\*Public Safety and positions in SRSD are not subject to the furlough reduction

2205	District Manager/Engineer (SRSD)	\$ 11,805	\$ 12,395	\$ 13,015	\$ 13,666	\$ 14,349
7101	Fire Chief	\$ 13,288	\$ 13,953	\$ 14,651	\$ 15,383	\$ 16,152
6101	Police Chief	\$ 13,288	\$ 13,953	\$ 14,651	\$ 15,383	\$ 16,152

Position	Monthly Salary
City Manager (Appointed)	\$ 18,702

*The City Manager is appointed by the City Council and is not subject to the terms and conditions of the Management Resolution*

**SAN RAFAEL UNREPRESENTED MID-MANAGEMENT  
SALARY SCHEDULE  
Effective July 1, 2020**

*Note: The Salary Schedule below reflects a 5% furlough reduction for FY 20/21 (\*except SRSD)*

Grade	Position	A	B	C	D	E
7315	Accounting Manager	\$ 8,265	\$ 8,678	\$ 9,112	\$ 9,567	\$ 10,046
2400	Assistant Library and Recreation Director	\$ 9,446	\$ 9,918	\$ 10,414	\$ 10,935	\$ 11,482
2202	Assistant Public Works Director / City Engineer	\$ 10,720	\$ 11,256	\$ 11,818	\$ 12,409	\$ 13,030
2302	Chief Building Official	\$ 9,962	\$ 10,460	\$ 10,983	\$ 11,532	\$ 12,109
4203	Civic Design Manager	\$ 8,996	\$ 9,446	\$ 9,918	\$ 10,414	\$ 10,935
2122	Code Enforcement Supervisor	\$ 6,856	\$ 7,199	\$ 7,559	\$ 7,937	\$ 8,334
4204	Data & Infrastructure Manager	\$ 9,962	\$ 10,460	\$ 10,983	\$ 11,532	\$ 12,109
1105	Deputy City Attorney I	\$ 9,028	\$ 9,479	\$ 9,953	\$ 10,451	\$ 10,974
1109	Deputy City Attorney II	\$ 9,954	\$ 10,452	\$ 10,974	\$ 11,523	\$ 12,099
2120	Deputy Fire Marshall	\$ 8,479	\$ 8,903	\$ 9,348	\$ 9,816	\$ 10,307
2135	Deputy Public Works Director	\$ 9,739	\$ 10,226	\$ 10,737	\$ 11,274	\$ 11,838
7313	Economic Development Coordinator	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944
2128	Economic Development Manager	\$ 8,996	\$ 9,446	\$ 9,918	\$ 10,414	\$ 10,935
7117	Emergency Services Manager	\$ 7,982	\$ 8,381	\$ 8,800	\$ 9,240	\$ 9,702
9005	Events Coordinator	\$ 6,952	\$ 7,300	\$ 7,665	\$ 8,048	\$ 8,450
2107	Human Resources Operations Manager	\$ 8,018	\$ 8,419	\$ 8,840	\$ 9,282	\$ 9,746
2208	Operations and Maintenance Manager	\$ 8,741	\$ 9,178	\$ 9,637	\$ 10,119	\$ 10,625
2703	Parking Services Manager	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944
7312	Parks Superintendent	\$ 7,982	\$ 8,381	\$ 8,800	\$ 9,240	\$ 9,702
2116	Planning Manager	\$ 9,161	\$ 9,620	\$ 10,101	\$ 10,606	\$ 11,136
1202	Public Works Administrative Manager	\$ 8,181	\$ 8,590	\$ 9,019	\$ 9,470	\$ 9,944
8103	Recreation Supervisor	\$ 6,857	\$ 7,200	\$ 7,559	\$ 7,937	\$ 8,334
7317	Senior Code Enforcement Supervisor	\$ 7,568	\$ 7,946	\$ 8,344	\$ 8,761	\$ 9,199
2105	Senior Management Analyst	\$ 7,795	\$ 8,185	\$ 8,594	\$ 9,024	\$ 9,475
2203	Senior Project Manager	\$ 8,212	\$ 8,623	\$ 9,054	\$ 9,506	\$ 9,982
8102	Senior Recreation Supervisor	\$ 7,568	\$ 7,946	\$ 8,344	\$ 8,761	\$ 9,199
7311	Street Maintenance Superintendent	\$ 7,982	\$ 8,381	\$ 8,800	\$ 9,240	\$ 9,702
2150	Sustainability Program Manager	\$ 6,570	\$ 6,898	\$ 7,243	\$ 7,605	\$ 7,986

\*Positions in SRSD are not subject to the furlough reduction

2208	Operations and Maintenance Manager (SRSD)	\$ 9,201	\$ 9,661	\$ 10,144	\$ 10,652	\$ 11,184
2206	Senior Civil Engineer (SRSD)	\$ 9,980	\$ 10,479	\$ 11,003	\$ 11,553	\$ 12,130
7310	Sewer Maintenance Superintendent	\$ 8,402	\$ 8,822	\$ 9,263	\$ 9,727	\$ 10,213



**City of San Rafael**  
**SEIU - SALARY SCHEDULE**  
Effective July 1, 2020

*Note: The Salary Schedule below reflects a 5% furlough reduction for FY 20/21 (\*except SRSD)*

Grade	Position	A	B	C	D	E
7241	Accountant I	\$ 5,496	\$ 5,770	\$ 6,059	\$ 6,362	\$ 6,680
7240	Accountant II	\$ 5,771	\$ 6,059	\$ 6,362	\$ 6,680	\$ 7,014
7200	Accounting Assistant I	\$ 4,003	\$ 4,203	\$ 4,413	\$ 4,634	\$ 4,865
7201	Accounting Assistant II	\$ 4,409	\$ 4,629	\$ 4,861	\$ 5,104	\$ 5,359
7299	Accounting Technician	\$ 5,497	\$ 5,772	\$ 6,061	\$ 6,364	\$ 6,682
7205	Administrative Analyst	\$ 5,108	\$ 5,363	\$ 5,631	\$ 5,913	\$ 6,208
7211	Administrative Assistant I	\$ 4,149	\$ 4,356	\$ 4,574	\$ 4,803	\$ 5,043
7212	Administrative Assistant II	\$ 4,574	\$ 4,803	\$ 5,043	\$ 5,295	\$ 5,560
7295	Senior Administrative Assistant	\$ 4,926	\$ 5,172	\$ 5,431	\$ 5,702	\$ 5,987
7216	Administrative Assistant to the City Clerk	\$ 4,926	\$ 5,172	\$ 5,431	\$ 5,702	\$ 5,987
7210	Assistant Planner	\$ 5,777	\$ 6,066	\$ 6,369	\$ 6,687	\$ 7,022
7208	Associate Planner	\$ 6,375	\$ 6,694	\$ 7,029	\$ 7,380	\$ 7,749
7217	Building Inspector I	\$ 5,235	\$ 5,497	\$ 5,771	\$ 6,060	\$ 6,363
7218	Building Inspector II	\$ 5,777	\$ 6,066	\$ 6,369	\$ 6,687	\$ 7,022
7475	Building Technician I	\$ 4,514	\$ 4,740	\$ 4,977	\$ 5,226	\$ 5,487
7220	Business License Examiner	\$ 4,629	\$ 4,860	\$ 5,103	\$ 5,358	\$ 5,626
7222	Code Enforcement Official I	\$ 4,194	\$ 4,403	\$ 4,624	\$ 4,855	\$ 5,097
7223	Code Enforcement Official II	\$ 4,627	\$ 4,859	\$ 5,102	\$ 5,357	\$ 5,625
7380	Code Enforcement Official III	\$ 5,496	\$ 5,770	\$ 6,059	\$ 6,362	\$ 6,680
7224	Custodian	\$ 3,917	\$ 4,113	\$ 4,318	\$ 4,534	\$ 4,761
7226	Deputy City Clerk	\$ 5,049	\$ 5,302	\$ 5,567	\$ 5,845	\$ 6,137
7120	Emergency Management Coordinator	\$ 4,744	\$ 4,981	\$ 5,230	\$ 5,492	\$ 5,766
7121	Environmental Management Coordinator	\$ 4,744	\$ 4,981	\$ 5,230	\$ 5,492	\$ 5,766
7232	Facility Repair Supervisor	\$ 6,236	\$ 6,548	\$ 6,875	\$ 7,219	\$ 7,580
7291	Facility Repair Worker I	\$ 4,425	\$ 4,646	\$ 4,879	\$ 5,122	\$ 5,379
7233	Facility Repair Worker II	\$ 4,880	\$ 5,124	\$ 5,380	\$ 5,649	\$ 5,932
7294	Facility Repair Worker III	\$ 5,252	\$ 5,515	\$ 5,790	\$ 6,080	\$ 6,384
7108	Fire Prevention Inspector I	\$ 6,615	\$ 6,946	\$ 7,293	\$ 7,657	\$ 8,040
7107	Fire Prevention Inspector II	\$ 7,292	\$ 7,657	\$ 8,040	\$ 8,442	\$ 8,864
7298	IT Help Desk Supervisor	\$ 6,491	\$ 6,816	\$ 7,157	\$ 7,514	\$ 7,890
7243	Librarian I	\$ 5,063	\$ 5,316	\$ 5,582	\$ 5,861	\$ 6,154
7244	Librarian II	\$ 5,318	\$ 5,584	\$ 5,863	\$ 6,156	\$ 6,464
2404	Library Aide	\$ 2,427	\$ 2,548	\$ 2,675	\$ 2,809	\$ 2,950
7246	Library Assistant I	\$ 3,333	\$ 3,500	\$ 3,675	\$ 3,859	\$ 4,052
7247	Library Assistant II	\$ 3,770	\$ 3,958	\$ 4,156	\$ 4,364	\$ 4,582
2405	Library Tech Services Supervisor	\$ 4,820	\$ 5,061	\$ 5,314	\$ 5,580	\$ 5,859
7292	Literacy Program Supervisor	\$ 5,867	\$ 6,161	\$ 6,469	\$ 6,792	\$ 7,132
7249	Mail and Stores Clerk	\$ 3,585	\$ 3,764	\$ 3,953	\$ 4,150	\$ 4,358
7255	Network Analyst	\$ 5,902	\$ 6,197	\$ 6,507	\$ 6,832	\$ 7,174
7274	Network Support Technician	\$ 4,514	\$ 4,740	\$ 4,977	\$ 5,226	\$ 5,487
7285	Office Assistant I	\$ 3,414	\$ 3,585	\$ 3,764	\$ 3,952	\$ 4,150
7284	Office Assistant II	\$ 3,857	\$ 4,050	\$ 4,252	\$ 4,465	\$ 4,688
7256	Park Equipment Mechanic	\$ 5,126	\$ 5,382	\$ 5,651	\$ 5,934	\$ 6,230
7257	Parking Attendant I	\$ 1,955	\$ 2,052	\$ 2,155	\$ 2,263	\$ 2,376
7275	Parking Attendant II	\$ 2,153	\$ 2,260	\$ 2,373	\$ 2,492	\$ 2,616
6208	Parking Enforcement Officer	\$ 4,768	\$ 5,007	\$ 5,257	\$ 5,520	\$ 5,796
6212	Parking Equipment Technician	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,513

**City of San Rafael**  
**SEIU - SALARY SCHEDULE**  
Effective July 1, 2020

*Note: The Salary Schedule below reflects a 5% furlough reduction for FY 20/21 (\*except SRSD)*

Grade	Position	A	B	C	D	E
6209	Parking Maintenance & Collections	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,513
6211	Parking Operations Supervisor	\$ 6,236	\$ 6,547	\$ 6,875	\$ 7,218	\$ 7,579
7258	Parks & Graffiti Worker	\$ 4,114	\$ 4,320	\$ 4,536	\$ 4,763	\$ 5,001
2123	Parks Lead Maintenance Worker	\$ 5,252	\$ 5,515	\$ 5,790	\$ 6,080	\$ 6,384
7271	Parks Maintenance Supervisor	\$ 6,236	\$ 6,548	\$ 6,875	\$ 7,219	\$ 7,580
7236	Parks Maintenance Worker I	\$ 4,320	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251
7238	Parks Maintenance Worker II	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,514
7296	Permit Services Coordinator	\$ 6,236	\$ 6,548	\$ 6,875	\$ 7,219	\$ 7,580
7261	Planning Technician	\$ 4,514	\$ 4,740	\$ 4,977	\$ 5,226	\$ 5,487
9453	Principal Planner	\$ 8,345	\$ 8,762	\$ 9,200	\$ 9,660	\$ 10,143
7234	Printing Press Operator	\$ 4,464	\$ 4,687	\$ 4,922	\$ 5,168	\$ 5,426
1201	Program Coordinator	\$ 4,744	\$ 4,981	\$ 5,230	\$ 5,492	\$ 5,766
7290	Public Works Dispatcher	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,514
7263	Revenue Supervisor	\$ 7,012	\$ 7,362	\$ 7,730	\$ 8,117	\$ 8,523
2309	Senior Building Inspector	\$ 6,858	\$ 7,201	\$ 7,561	\$ 7,939	\$ 8,335
7219	Senior Building Technician	\$ 5,235	\$ 5,497	\$ 5,772	\$ 6,060	\$ 6,363
7265	Senior Library Assistant	\$ 3,959	\$ 4,157	\$ 4,365	\$ 4,583	\$ 4,812
7264	Senior Planner	\$ 7,214	\$ 7,575	\$ 7,954	\$ 8,352	\$ 8,769
7269	Shop & Equipment Supervisor	\$ 6,236	\$ 6,548	\$ 6,875	\$ 7,219	\$ 7,580
7280	Street Lead Maintenance Worker	\$ 5,252	\$ 5,515	\$ 5,790	\$ 6,080	\$ 6,384
7209	Street Maintenance Supervisor	\$ 6,236	\$ 6,548	\$ 6,875	\$ 7,219	\$ 7,580
7250	Street Maintenance Worker I	\$ 4,320	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251
7251	Street Maintenance Worker II	\$ 4,536	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,514
7283	Street Sweeper Operator	\$ 4,763	\$ 5,001	\$ 5,251	\$ 5,514	\$ 5,789
7245	Supervising Librarian	\$ 5,867	\$ 6,161	\$ 6,469	\$ 6,792	\$ 7,132
8523	Supervising Parking Enforcement Officer	\$ 5,362	\$ 5,630	\$ 5,912	\$ 6,207	\$ 6,518
7288	Supervising Vehicle/Equipment Mechanic	\$ 5,516	\$ 5,792	\$ 6,082	\$ 6,386	\$ 6,705
7286	Vehicle/Equipment Mechanic I	\$ 4,648	\$ 4,881	\$ 5,125	\$ 5,381	\$ 5,650
7287	Vehicle/Equipment Mechanic II	\$ 5,126	\$ 5,382	\$ 5,651	\$ 5,934	\$ 6,230
2131	Volunteer Program Assistant	\$ 4,574	\$ 4,803	\$ 5,043	\$ 5,295	\$ 5,560

\*Positions in SRSD are not subject to the furlough reduction or closures. Data Analyst is subject to partial furlough due to SRSD funding.

2119	Construction Inspector (SRSD)	\$ 5,989	\$ 6,289	\$ 6,603	\$ 6,934	\$ 7,280
4210	Data Analyst I	\$ 6,025	\$ 6,326	\$ 6,643	\$ 6,975	\$ 7,324
4211	Data Analyst II	\$ 6,628	\$ 6,959	\$ 7,307	\$ 7,672	\$ 8,056
4212	Data Analyst III	\$ 7,290	\$ 7,655	\$ 8,038	\$ 8,440	\$ 8,862
2204	Sewer Lead Maintenance Worker	\$ 6,096	\$ 6,401	\$ 6,721	\$ 7,057	\$ 7,410
7266	Sewer Maintenance Worker I	\$ 4,893	\$ 5,137	\$ 5,394	\$ 5,664	\$ 5,947
7267	Sewer Maintenance Worker II	\$ 5,265	\$ 5,528	\$ 5,805	\$ 6,095	\$ 6,400
7281	Sewers Supervisor	\$ 6,891	\$ 7,236	\$ 7,598	\$ 7,977	\$ 8,376
7295	Senior Administrative Assistant (SRSD)	\$ 5,185	\$ 5,444	\$ 5,716	\$ 6,002	\$ 6,302

**WCE - San Rafael**  
**Salary Schedule**  
Effective July 1, 2020

*Note: The Salary Schedule below reflects a 3% furlough reduction for FY 20/21 \**

Grade	Position	A	B	C	D	E
7227	Assistant Civil Engineer	\$ 7,250	\$ 7,612	\$ 7,993	\$ 8,392	\$ 8,812
7229	Associate Civil Engineer	\$ 8,003	\$ 8,403	\$ 8,823	\$ 9,264	\$ 9,727
7277	Engineering Technician I	\$ 5,138	\$ 5,395	\$ 5,665	\$ 5,948	\$ 6,245
7230	Engineering Technician II	\$ 5,806	\$ 6,097	\$ 6,401	\$ 6,721	\$ 7,057
7330	Junior Engineer	\$ 5,806	\$ 6,097	\$ 6,401	\$ 6,721	\$ 7,057
7228	Senior Associate Engineer	\$ 7,617	\$ 7,997	\$ 8,397	\$ 8,817	\$ 9,258
2311	Senior Civil Engineer (PW)	\$ 9,267	\$ 9,731	\$ 10,217	\$ 10,728	\$ 11,265
7331	Traffic Engineer	\$ 8,003	\$ 8,403	\$ 8,823	\$ 9,264	\$ 9,727
4793	Traffic Technician I	\$ 5,138	\$ 5,395	\$ 5,665	\$ 5,948	\$ 6,245
4792	Traffic Technician II	\$ 5,806	\$ 6,097	\$ 6,401	\$ 6,721	\$ 7,057

\*Positions in SRSD are not subject to the furlough reduction

7330	Junior Engineer (SRSD)	\$ 5,986	\$ 6,285	\$ 6,599	\$ 6,929	\$ 7,276
7229	Associate Civil Engineer (SRSD)	\$ 8,250	\$ 8,663	\$ 9,096	\$ 9,551	\$ 10,028




**Agenda Item No: 4.d**  
**Meeting Date: September 21, 2020**

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department:** Police Department

**Prepared by:** Glenn McElderry,  
Police Captain

**City Manager Approval:** 

**TOPIC: POLICE DEPARTMENT COPY/PRINT HARDWARE LEASE AND SERVICES**

**SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A COPY/PRINT HARDWARE LEASE AND SERVICES AGREEMENT WITH RAY MORGAN COMPANY, FOR A 39-MONTH TERM AT AN ESTIMATED ANNUAL COST OF \$50,277**

**RECOMMENDATION:**  
Staff recommends that the City Council adopt the resolution (Attachment 1) authorizing the City Manager to execute a copy and print hardware lease and services agreement at an estimated annual cost of \$50,277 per year for the next 39 months.

**BACKGROUND:**  
The City of San Rafael’s Police Department has utilized the Ray Morgan Company copy and print service since 2018. The Police Department in the normal course of business generates a large volume of printed and scanned documents. It has been the policy to renew the three-year contracts on a timely basis. The Police Department’s current contract expires September 2020.

**ANALYSIS:**  
The Police Department currently has:

- Six large capacity multi-function machines, including fax services
- Two large capacity multi-function machines
- Two standard black and white printers
- Ten desktop scanners

The renewal for leasing and services runs \$50,277.60 annually. The \$50,277.60 includes a set annual lease that includes maintenance at a cost based on 12,000 black & white print/copy, 15,000 color print/copy, 6,000 black & white laser print, and 3,000 color laser print. If the number of pages exceeds the allowance, the rate charged is .008 cents per page for black & white print/copy, .053 cents for color print/copy, .025 black cents for white laser print, and .13 cents for color laser print.

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**FOR CITY CLERK ONLY**

**File No.:**

**Council Meeting:**

**Disposition:**

Staff recommends that the City Council approve a waiver of formal bidding on this contract pursuant to San Rafael Municipal Code section 2.55.100 (C) (other valid reasons for waiving competition), because entering into this agreement has the effect of extending some existing equipment leases, achieving an overall substantial cost savings over entering into new leases for the equipment. Police Department staff have also been satisfied with Ray Morgan's quality of service and would like to retain the vendor for copy and print services.

**FISCAL IMPACT:**

The total cost for the Police Department's proposed lease and copy and print services over the 39-month term of the contract is approximately \$159,213. There are sufficient funds in the Police Department's General Fund operating budget to support this contract.

**OPTIONS:**

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

1. Staff's recommended action to adopt the proposed resolution.
2. Adopt a resolution with changes.
3. Direct staff to pursue a different approach.

**RECOMMENDED ACTION:**

Adopt the resolution waiving bidding and authorizing the City Manager to execute a copy/print hardware lease and services agreement with the Ray Morgan Company, at an annual cost of approximately \$50,277.60 per year for the next 39 months.

**ATTACHMENTS:**

1. Resolution
2. Proposed 2020 Ray Morgan Value Rental Lease Agreement with State and Local Government Addendum

**RESOLUTION NO.**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL AUTHORIZING THE CITY MANAGER TO EXECUTE A COPY/PRINT HARDWARE LEASE AND SERVICES AGREEMENT WITH RAY MORGAN COMPANY, FOR A 39-MONTH TERM AT AN ESTIMATED ANNUAL COST OF \$50,277**

**WHEREAS**, the San Rafael Police Department generates a large volume of printed and scanned documents in the normal course of business; and

**WHEREAS**, the Police Department's current copier contract is due to expire in September 2020; and

**WHEREAS**, by renewing equipment leases with the Ray Morgan Company under the company's State & Local Government form of agreement the City can achieve substantial savings over leasing the equipment from a new vendor; and

**WHEREAS**, over the course of the proposed 39-month agreement, the approximate cost of the agreement will be \$159,213;

**NOW, THEREFORE BE IT RESOLVED**, that the City Council hereby waives the requirement of competitive bidding and authorizes the City Manager to execute a 39-month Value Rental Lease Agreement with State & Local Government addendum with the Ray Morgan Company, in the form accompanying the staff report for this resolution, subject to final approval as to form by the City Attorney.

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 the 21st day of September 2020, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

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LINDSAY LARA, City Clerk



Value Rental Lease Agreement

APPLICATION NO.

AGREEMENT NO.

Ray Morgan Company

3131 Esplanade • Chico, CA 95973 • Phone: 530.343.6065 • Fax: 530.343.9470

The words "User," "Lessee," "you" and "your" refer to Customer. The words "Owner," "Lessor," "we," "us" and "our" refer to Ray A. Morgan Company.

CUSTOMER INFORMATION

Form with fields for FULL LEGAL NAME, STREET ADDRESS, CITY, STATE, ZIP, PHONE, FAX, BILLING NAME, and BILLING STREET ADDRESS.

EQUIPMENT LOCATION (IF DIFFERENT FROM ABOVE)
1375 Fifth Avenue, San Rafael, CA 94901

EQUIPMENT DESCRIPTION

Table with columns: MAKE/MODEL/ACCESSORIES, SERIAL NO., STARTING METER, NOT FINANCED UNDER THIS AGREEMENT. Includes 'See Schedule A' and checkboxes.

See attached Schedule A See attached Billing Schedule

TERM AND PAYMENT INFORMATION

Form for term and payment information including PMT. Schd., Payments\* of \$, and Overages billed at \$.

Please check one: Meter Readings verified: Monthly Quarterly Other: (If nothing is selected, then Quarterly will be your Meter Reading option.)

Upon acceptance of the Equipment, THIS AGREEMENT IS NONCANCELABLE, IRREVOCABLE AND CANNOT BE TERMINATED.

OWNER ACCEPTANCE

Signature line for Ray A. Morgan Company, OWNER, SIGNATURE, TITLE, DATED.

CUSTOMER ACCEPTANCE

BY SIGNING BELOW OR AUTHENTICATING AN ELECTRONIC RECORD HEREOF, YOU CERTIFY THAT YOU HAVE REVIEWED AND DO AGREE TO ALL TERMS AND CONDITIONS OF THIS AGREEMENT ON THIS PAGE AND ON PAGE 2 ATTACHED HERETO.

Signature line for City of San Rafael, CUSTOMER, SIGNATURE, TITLE, DATED.

FEDERAL TAX I.D. # PRINT NAME

TERMS AND CONDITIONS (Continued on Page 2)

1. AGREEMENT: You agree to rent from us the goods, together with all replacements, parts, repairs, additions, and accessions incorporated therein or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries ("Equipment") and, if applicable, finance certain software, software license(s), software components and/or professional services in connection with software (collectively, the "Financed Items," which are included in the word "Equipment" unless separately stated) from software licensor(s) and/or supplier(s) (collectively, the "Supplier"), all as described in this Agreement and in any attached schedule, addendum or amendment hereto ("Agreement").

2. OWNERSHIP; PAYMENTS; TAXES AND FEES: We own the Equipment, excluding any Financed Items. Ownership of any Financed Items shall remain with Supplier thereof. You will pay all Payments, as adjusted, when due, without notice or demand and without abatement, set-off, counterclaim or deduction of any amount whatsoever.

3. **EQUIPMENT; SECURITY INTEREST:** At your expense, you shall keep the Equipment: (i) in good repair, condition and working order, in compliance with applicable laws, ordinances and manufacturers' and regulatory standards; (ii) free and clear of all liens and claims; and (iii) at your address shown on page 1, and you agree not to move it unless we agree in writing. You grant us a security interest in the Equipment to secure all amounts you owe us under this Agreement or any other agreement with us ("Other Agreements"), except amounts under Other Agreements which are secured by land and/or buildings. You authorize and ratify our filing of any financing statement(s) to show our interest. You will not change your name, state of organization, headquarters or residence without providing prior written notice to us. You will notify us within 30 days if your state of organization revokes or terminates your existence.

4. **INSURANCE; COLLATERAL PROTECTION; INDEMNITY; LOSS OR DAMAGE:** You agree to keep the Equipment fully insured against all risk, with us named as lender's loss payee, in an amount not less than the full replacement value of the Equipment until this Agreement is terminated. You also agree to maintain commercial general liability insurance with such coverage and from such insurance carrier as shall be satisfactory to us and to include us as an additional insured on the policy. You will provide written notice to us within 10 days of any modification or cancellation of your insurance policy(s). You agree to provide us certificates or other evidence of insurance acceptable to us. If you do not provide us with acceptable evidence of property insurance within 30 days after the start of this Agreement, we may, at our sole discretion, do so as provided in either (A) or (B) below, as determined in our discretion: (A) We may obtain insurance covering our interest (and only our interest) in the Equipment for the Agreement term and renewals. Any insurance we obtain will not insure you against third party or liability claims and may be cancelled by us at any time. You may be required to pay us an additional amount each month for the insurance premium and an administrative fee. The cost may be more than the cost of obtaining your own insurance; or (B) We may charge you a monthly property damage surcharge of up to .0035 of the Equipment cost as a result of our credit risk and administrative and other costs, as would be further described on a letter from us to you. We may make a profit on this program. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT.** We are not responsible for, and you agree to hold us harmless and reimburse us for and to defend on our behalf against, any claim for any loss, expense, liability or injury caused by or in any way related to delivery, installation, possession, ownership, renting, manufacture, use, condition, inspection, removal, return or storage of the Equipment. All indemnities will survive the expiration or termination of this Agreement. You are responsible for any loss, theft, destruction or damage to the Equipment ("Loss"), regardless of cause, whether or not insured. You agree to promptly notify us in writing of any Loss. If a Loss occurs and we have not otherwise agreed in writing, you will promptly pay to us the unpaid balance of this Agreement, including any future Payments to the end of the term plus the anticipated residual value of the Equipment, both discounted to present value at 2%. Any proceeds of insurance will be paid to us and credited against the Loss. You authorize us to sign on your behalf and appoint us as your attorney-in-fact to endorse in your name any insurance drafts or checks issued due to a Loss.

5. **ASSIGNMENT: YOU SHALL NOT SELL, TRANSFER, ASSIGN, ENCUMBER, PLEDGE OR SUBRENT THE EQUIPMENT OR THIS AGREEMENT, without our prior written consent which will not be unreasonably withheld.** You shall not consolidate or merge with or into any other entity, distribute, sell or dispose of all or any substantial portion of your assets other than in the ordinary course of business, without our prior written consent, and the surviving, or successor entity or the transferee of such assets, as the case may be, shall assume all of your obligations under this Agreement by a written instrument acceptable to us. No event shall occur which causes or results in a transfer of majority ownership of you while any obligations are outstanding hereunder. We may sell, assign, or transfer this Agreement without notice to or consent from you. You agree that if we sell, assign or transfer this Agreement, our assignee will have the same rights and benefits that we have now and will not have to perform any of our obligations. **You agree that our assignee will not be subject to any claims, defenses, or offsets that you may have against us.** This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns.

6. **DEFAULT AND REMEDIES:** You will be in default if: (i) you do not pay any Payment or other sum due to us or you fail to perform in accordance with the covenants, terms and conditions of this Agreement or any other agreement with us or any of our affiliates or fail to perform or pay under any material agreement with any other entity; (ii) you make or have made any false statement or misrepresentation to us; (iii) you or any guarantor dies, dissolves, liquidates, terminates existence or is in bankruptcy; (iv) you or any guarantor suffers a material adverse change in its financial, business or operating condition; or (v) any guarantor defaults under any guaranty for this Agreement. If you are ever in default, at our option, we can cancel this Agreement and require that you pay the unpaid balance of this Agreement, including any future Payments to the end of term plus the anticipated residual value of the Equipment, both discounted to present value at 2%. We may recover default interest on any unpaid amount at the rate of 12% per year. Concurrently and cumulatively, we may also use any remedies available to us under the UCC and any other law and we may require that you immediately stop using any Financed Items. If we take possession of the Equipment, you agree to pay the costs of repossession, moving, storage, repair and sale. The net proceeds of the sale of any Equipment will be credited against what you owe us under this Agreement and you will be responsible for any deficiency. In the event of any dispute or enforcement of our rights under this Agreement or any related agreement, you agree to pay our reasonable attorneys' fees (including any incurred before or at trial, on appeal or in any other proceeding), actual court costs and any other collection costs, including any collection agency fee. **WE SHALL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES FOR ANY DEFAULT, ACT OR OMISSION BY ANYONE.** Any delay or failure to enforce our rights under this Agreement will not prevent us from enforcing any rights at a later time. You agree that this Agreement is a "Finance Lease" as defined by Article 2A of the UCC and your rights and remedies are governed exclusively by this Agreement. You waive all rights under sections 2A-508 through 522 of the UCC. If interest is charged or collected in excess of the maximum lawful rate, we will refund such excess to you, which will be your sole remedy.

7. **INSPECTIONS AND REPORTS:** We have the right, at any reasonable time, to inspect the Equipment and any documents relating to its installation, use, maintenance and repair. Within 30 days after our request (or such longer period as provided herein), you will deliver all requested information (including tax returns) which we deem reasonably necessary to determine your current financial condition and faithful performance of the terms hereof. This may include: (i) compiled, reviewed or audited annual financial statements (including, without limitation, a balance sheet, a statement of income, a statement of cash flow, a statement of changes in equity and notes to financial statements) within 120 days after your fiscal year end, and (ii) management-prepared interim financial statements within 45 days after the requested reporting period(s). Annual statements shall set forth the corresponding figures for the prior fiscal year in comparative form, all in reasonable detail without any qualification or exception deemed material by us. Unless otherwise accepted by us, each financial statement shall be prepared in accordance with generally accepted accounting principles consistently applied and shall fairly and accurately present your financial condition and results of operations for the period to which it pertains. You authorize us to obtain credit bureau reports for credit and collection purposes and to share them with our affiliates and agents.

8. **END OF TERM:** At the end of the initial term, this Agreement shall renew for successive 12-month renewal term(s) under the same terms hereof unless you send us written notice between 90 and 150 days before the end of the initial term or at least 30 days before the end of any renewal term that you want to return the Equipment, and you timely return the Equipment. You shall continue making Payments and paying all other amounts due until the Equipment is returned. As long as you have given us the required written notice, you will return all of the Equipment to a location we specify, at your expense, in retail re-saleable condition, full working order and complete repair. **YOU ARE SOLELY RESPONSIBLE FOR REMOVING ANY DATA THAT MAY RESIDE IN THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO HARD DRIVES, DISK DRIVES OR ANY OTHER FORM OF MEMORY.**

9. **USA PATRIOT ACT NOTICE; ANTI-TERRORISM AND ANTI-CORRUPTION COMPLIANCE:** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each customer who opens an account. When you enter into a transaction with us, we ask for your business name, address and other information that will allow us to identify you. We may also ask to see other documents that substantiate your business identity. You and any other person who you control, own a controlling interest in, or who owns a controlling interest in or otherwise controls you in any manner ("Representatives") are and will remain in full compliance with all laws, regulations and government guidance concerning foreign asset control, trade sanctions, embargoes, and the prevention and detection of money laundering, bribery, corruption, and terrorism, and neither you nor any of your Representatives is or will be listed in any Sanctions-related list of designated persons maintained by the U.S. Department of Treasury's Office of Foreign Assets Control or successor or the U.S. Department of State. You shall, and shall cause any Representative to, provide such information and take such actions as are reasonably requested by us in order to assist us in maintaining compliance with anti-money laundering laws and regulations.

10. **MISCELLANEOUS:** Unless otherwise stated in an addendum hereto, the parties agree that: (i) this Agreement and any related documents hereto may be authenticated by electronic means; (ii) the "original" of this Agreement shall be the copy that bears your manual, facsimile, scanned or electronic signature and that also bears our manually or electronically signed signature and is held or controlled by us; and (iii) to the extent this Agreement constitutes chattel paper (as defined by the UCC), a security interest may only be created in the original. You agree not to raise as a defense to the enforcement of this Agreement or any related documents that you or we executed or authenticated such documents by electronic or digital means or that you used facsimile or other electronic means to transmit your signature on such documents. Notwithstanding anything to the contrary herein, we reserve the right to require you to sign this Agreement or any related documents hereto manually and to send to us the manually signed, duly executed documents via overnight courier on the same day that you send us the facsimile, scanned or electronic transmission of the documents. You agree to execute any further documents that we may request to carry out the intents and purposes of this Agreement. Whenever our consent is required, we may withhold or condition such consent in our sole discretion, except as otherwise expressly stated herein. From time to time, Supplier may extend to us payment terms for Equipment financed under this Agreement that are more favorable than what has been quoted to you or the general public, and we may provide Supplier information regarding this Agreement if Supplier has assigned or referred it to us. All notices shall be mailed or delivered by facsimile transmission or overnight courier to the respective parties at the addresses shown on this Agreement or such other address as a party may provide in writing from time to time. By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications, including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system, from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider. You authorize us to make non-material amendments (including completing and conforming the description of the Equipment) on any document in connection with this Agreement. Unless stated otherwise herein, all other modifications to this Agreement must be in writing and signed by each party or in a duly authenticated electronic record. This Agreement may not be modified by course of performance.

11. **WARRANTY DISCLAIMERS: WE ARE RENTING THE EQUIPMENT TO YOU "AS-IS." YOU HAVE SELECTED SUPPLIER AND THE EQUIPMENT BASED UPON YOUR OWN JUDGMENT. IN THE EVENT WE ASSIGN THIS AGREEMENT, OUR ASSIGNEE DOES NOT TAKE RESPONSIBILITIES FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. SUPPLIER IS NOT AN AGENT OF OURS AND WE ARE NOT AN AGENT OF SUPPLIER, AND NOTHING SUPPLIER STATES OR DOES CAN AFFECT YOUR OBLIGATIONS HEREUNDER. YOU WILL MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST ANY SUPPLIER, LICENSOR OR MANUFACTURER, AND ANY FAILURE OF A SERVICE PROVIDER TO PROVIDE SERVICES WILL NOT EXCUSE YOUR OBLIGATIONS TO US UNDER THIS AGREEMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, OF, AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, QUALITY, ADEQUACY, TITLE, DATA ACCURACY, SYSTEM INTEGRATION, FUNCTION, DEFECTS, INFRINGEMENT OR ANY OTHER ISSUE IN REGARD TO THE EQUIPMENT, ANY ASSOCIATED SOFTWARE AND ANY FINANCED ITEMS. SO LONG AS YOU ARE NOT IN DEFAULT UNDER THIS AGREEMENT, WE ASSIGN TO YOU ANY WARRANTIES IN THE EQUIPMENT GIVEN TO US.**

12. **LAW; JURY WAIVER: LAW; JURY WAIVER:** This Agreement will be governed by and construed in accordance with the law of the principal place of business of Owner or, if assigned, its assignee. You consent to jurisdiction and venue of any state or federal court in the state of the Owner or, if assigned, its assignee has its principal place of business and waives the defense of inconvenient forum. For any action arising out of or relating to this Agreement or the Equipment, **BOTH PARTIES WAIVE ALL RIGHTS TO A TRIAL BY JURY.**

13. **MAINTENANCE AND SUPPLIES:** You have elected to enter into a separate arrangement with Supplier for maintenance, inspection, adjustment, parts replacement, drums, cleaning material required for proper operation and toner and developer ("Arrangement"). You agree to pay all amounts owing under this Agreement regardless of any claim you have against Supplier relating to the Arrangement. Supplier will be solely responsible for performing all services and providing all supplies under the Arrangement. You agree not to hold Owner (if different from Supplier) or any assignee of this Agreement responsible for Supplier's obligations under the Arrangement. As a convenience to you, we will provide you with one invoice covering amounts owing under this Agreement and the Arrangement. If necessary, Supplier's obligations to you under the Arrangement may be assigned by us. You have been informed that a surge protector is recommended to protect your electronic investment from harmful high voltage power disturbances. Said surge protectors should have network protection when connected in a network environment. Units that provide network protection are available through Ray A. Morgan Company. You are responsible for providing manufacturer recommended adequate power supply. Check one of the following:  Purchased  Has existing  Declined and will be responsible for damage caused by not having a surge protector. You agree to pay a monthly supply freight fee to cover the costs of shipping supplies to you. An image/scan is equal to a single sided 8.5" x 11" copy or print. Each month, you are entitled to produce the minimum number of images/scans shown on page 1 of this Agreement for each applicable image/scan type. Regardless of the number of images/scans made, you will never pay less than the minimum Payment. You agree to provide periodic meter readings on the Equipment. If at any time during the term of this Agreement meter readings are not collected electronically there will be a \$5 fee assessed per device, per month for the term of this Agreement or until the meter readings are set-up electronically. You agree to pay the applicable overage charge for each metered image/scan that exceeds the applicable minimum number of images/scans. Images/scans made on equipment marked as not financed under this Agreement will be included in determining your image/scan and overage charges. At the end of the first year of this Agreement, and once each successive 12-month period thereafter, the maintenance and supplies portion of the Payment and the overage charges may be increased by a maximum of 15% of the existing payment or charge. If you have multiple devices at the installation address, which use the same supplies provided under this Agreement, all devices using the same supplies must be covered under an active agreement with Supplier.

14. **EXCLUSIONS:** Maintenance service under the Arrangement is contingent upon proper use of the device. The Arrangement does not include: a) Repairs resulting from causes other than normal use; your willful act, use of any paper stock that does not meet device specifications, negligence or misuse including, without limitation, damage to any part or mechanisms and/or use or supplies or spare parts not manufactured and/or use or supplies or spare parts not manufactured by the original equipment manufacturer and which cause abnormally high service calls or service problems; accident, transportation, failure of electrical power, air conditioning or humidity control related problems, acts of nature (fire, flood etc.), theft, or any other unusual circumstance. b) Repairs made necessary by service performed by personnel other than Ray A. Morgan Company representative. c) Work which you request to be performed outside regular business hours. d) Reconditioning or modification to the Equipment except those specified by Ray A. Morgan Company's Technical Service Department to assure greater performance of the Equipment. e) Any and all work related to data flow between the covered device and your computers, software or computer network, or work on your computers, software or computer network independent of the Equipment. f) Repairs to the Equipment that is past the manufacturer's end of service life.





# Ray Morgan Company

## BILLING SCHEDULE CITY OF SAN RAFAEL (Equipment located at the Police Dept.)

The following represents the agreed upon billing for the equipment, service & supplies on said RMC Value Rental - App # 2683408

DATE	PAYMENT AMOUNT	INCLUDES
October 1 <sup>st</sup> , 2020 thru June 30 <sup>th</sup> , 2021 (pmt due Nov 1, 2020)	\$37,708.20 + taxes	108,000 B&W Print / Copies 135,000 Color Prints / Copies 54,000 B&W Laser Prints 27,000 Color Laser Prints
July 1, 2021 thru June 30 <sup>th</sup> , 2022	\$50,277.60 + taxes	144,000 B&W Print / Copies 180,000 Color Prints / Copies 72,000 B&W Laser Prints 36,000 Color Laser Prints
July 1, 2022 thru June 30 <sup>th</sup> , 2023	\$50,277.60 + taxes	144,000 B&W Print / Copies 180,000 Color Prints / Copies 72,000 B&W Laser Prints 36,000 Color Laser Prints
July 1, 2023 thru December 1 <sup>st</sup> , 2023	\$20,949.00 + taxes	60,000 B&W Print / Copies 75,000 Color Prints / Copies 30,000 B&W Laser Prints 15,000 Color Laser Prints

All other terms & conditions on RMC Value Rental Agreement remain unchanged.  
All parties agree as referenced below with their signed acknowledgement.

City of San Rafael

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Ray Morgan Company

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

Steve Mallory

Technology Leasing Manager

This Equipment Schedule A is to be attached to and become part of the item description for the Agreement. Dated \_\_\_\_\_ by and between the undersigned and Ray Morgan Company

EQUIPMENT INFORMATION						
Model #	Serial #	Ownership	Address	Location	City	Zip
Canon IR ADV C7565i III		Lessor	1375 Fifth Avenue	Records	San Rafael	94901
Canon IR ADV C7765i III		Lessor	1375 Fifth Avenue	Records	San Rafael	94901
Canon IR ADV C5560i III		Lessor	1375 Fifth Avenue	Investigations	San Rafael	94901
Canon IR ADV C356if		Lessor	1375 Fifth Avenue	Evidence	San Rafael	94901
Canon IR ADV C356if		Lessor	1375 Fifth Avenue	Holding Cell/Reporting	San Rafael	94901
Canon IR ADV C356if		Lessor	1375 Fifth Avenue	Report Writing Room	San Rafael	94901
Canon IR ADV C356if		Lessor	1375 Fifth Avenue	Lynette/Tiny	San Rafael	94901
Canon IR ADV C356if		Lessor	1375 Fifth Avenue	Dispatch	San Rafael	94901
KYOCERA / MTB M2635DW	VCA6Z01463	Customer	1375 Fifth Avenue	Distpatch Fax	San Rafael	94901
HP / HP M401DNE	PHGFG38315	Customer	1375 Fifth Avenue	Charles Taylor	San Rafael	94901
HP / HP 4250	CNRXX22146	Customer	1375 Fifth Avenue	Records Bracken	San Rafael	94901
HP / HP M553	JPBCJB30MY	Customer	1375 Fifth Avenue	TBD	San Rafael	94901
HP / HP P3015	VND3637592	Customer	1375 Fifth Avenue	HOLDING CELLS	San Rafael	94901
HP / HP M402N	PHBQF50931	Customer	1375 Fifth Avenue	Aguilar	San Rafael	94901
HP / HP P3015	VND3F06272	Customer	1375 Fifth Avenue	Patrol SGTs	San Rafael	94901
Brother / BRB HL6180DW	U63082C3N335875	Customer	1375 Fifth Avenue	LEON-DAYSHIFT LT.	San Rafael	94901
HP / HP 1320	CNL1L09601	Customer	1375 Fifth Avenue	Nightshift Lt. Fink	San Rafael	94901
HP / HP P2035N	CNB9T23751	Customer	1375 Fifth Avenue	Captain Starnes	San Rafael	94901
HP / HP P2035N	VNB3F03971	Customer	1375 Fifth Avenue	Business Office	San Rafael	94901
HP / HP 1320N	CNL1L07026	Customer	1375 Fifth Avenue	SPECIAL OPS	San Rafael	94901
HP / HP M477FDN	VNB8JCTB4Q	Customer	1375 Fifth Avenue	Rose	San Rafael	94901
HP / HP 1320	CNHC5CK1X0	Customer	1375 Fifth Avenue	Chief Bishop	San Rafael	94901
Canon / IC MF731CDW	WTV02381	Customer	1375 Fifth Avenue	Dispatch	San Rafael	94901
HP / HP M553	JPBCJC10GL	Customer	1375 Fifth Avenue	Dispatch	San Rafael	94901
HP / HP CP1518NI	CNCC8CM01K	Customer	1375 Fifth Avenue	LEADS OFFICE	San Rafael	94901
HP / HP P2035N	CNB9T23735	Customer	1375 Fifth Avenue	DETECTIVE SGT.	San Rafael	94901
HP / HP P2035N	CNB9S35527	Customer	1375 Fifth Avenue	INVEST-LT FINK	San Rafael	94901
HP / HP P3010	VND3Q00946	Customer	1375 Fifth Avenue	Investigations	San Rafael	94901
HP / HP 1320N	CNHC63X3K8	Customer	1375 Fifth Avenue	TBD	San Rafael	94901
HP / HP 1320	CNHC59W0DV	Customer	1375 Fifth Avenue	CPTN. MCELDERRY	San Rafael	94901
HP / HP 4250	CNRXJ85305	Customer	1375 Fifth Avenue	Investigations	San Rafael	94901
HP / HP M551N	CMCCG2S163	Customer	1375 Fifth Avenue	LYNETTE STARNES	San Rafael	94901
HP / HP 1320N	CNHC5B40D0	Customer	1375 Fifth Avenue	Ingles	San Rafael	94901
HP / HP CP3525	CNCC97N00G	Customer	1375 Fifth Avenue	TINY	San Rafael	94901
HP / HP P2035N	CNB9T23736	Customer	1375 Fifth Avenue	Leon	San Rafael	94901
HP / HP P2035N	CNB9D22524	Customer	1375 Fifth Avenue	TBD	San Rafael	94901
HP / HP P2035N	CNB9S35518	Customer	1375 Fifth Avenue	Mobile Command A	San Rafael	94901
HP / HP P2035N	VNB3H01659	Customer	1375 Fifth Avenue	Mobile Command B	San Rafael	94901
HP / HP P2035N	CNB9D22523	Customer	1375 Fifth Avenue	Vaping	San Rafael	94901
HP / HP M404DN	PHBB321562	Customer	1375 Fifth Avenue	Investigations	San Rafael	94901
HP / HP M404DN	PHBB321480	Customer	1375 Fifth Avenue	SPECIAL OPS	San Rafael	94901
HP / HP M501	PHBTQ12132	Customer	1375 Fifth Avenue	Disptach	San Rafael	94901
HP / HP M476	CNB7H6L075	Customer	1375 Fifth Avenue	Security Mall Office	San Rafael	94901

**CUSTOMER ACCEPTANCE**

This Equipment Schedule A is hereby Verified as correct by the undersigned Lessee, who acknowledges receipt of a copy:

Dated: \_\_\_\_\_ Customer: \_\_\_\_\_ Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Print Name: \_\_\_\_\_

Dated: \_\_\_\_\_ Customer: \_\_\_\_\_ Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Print Name: \_\_\_\_\_



Ray Morgan Company

AGREEMENT NO.  
2683408

## CALIFORNIA JUDICIAL REFERENCE & STATE AND LOCAL GOVERNMENT ADDENDUM

Addendum to Agreement # 2683408 and any future supplements/schedules thereto, between **City of San Rafael**, as Customer and **Ray A. Morgan Company**, as Lessor ("Agreement"). The words "you" and "your" refer to Customer. The words "we," "us" and "our" refer to Lessor.

The parties wish to amend the above-referenced Agreement by adding the following California Judicial Reference language:

1. Any and all disputes, claims and controversies arising out of, connected with or relating to the Agreement or the transactions contemplated thereby (individually, a "Dispute") that are brought before a forum in which pre-dispute waivers of the right to trial by jury are invalid under applicable law shall be subject to the terms contained in this Addendum in lieu of the jury trial waiver otherwise provided in the Agreement. Disputes may include, without limitation, tort claims, counterclaims, claims brought as class actions, claims arising from schedules, supplements, exhibits or other documents to the Agreement executed in the future, disputes as to whether a matter is subject to judicial reference, or claims concerning any aspect of the past, present or future relationships arising out of or connected with the Agreement.
2. Any and all Disputes shall be heard by a referee and resolved by judicial reference pursuant to California Code of Civil Procedure ("CCCP") §§ 638 et seq. The referee shall be a retired California state court judge or an attorney licensed to practice law in the State of California with at least 10 years' experience practicing commercial law. The parties shall not seek to appoint a referee that may be disqualified pursuant to CCCP §641 or 641.2 without the prior written consent of all parties. If the parties are unable to agree upon a referee within 10 calendar days after one party serves a written notice of intent for judicial reference upon the other parties, then the referee will be selected by the court in accordance with CCCP § 640(b).
3. The referee shall render a written statement of decision and shall conduct the proceedings in accordance with the CCCP, the Rules of Court, and the California Evidence Code, except as otherwise specifically agreed by the parties and approved by the referee. The referee's statement of decision shall set forth findings of fact and conclusions of law. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of CCCP §§644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court.
4. Notwithstanding the preceding agreement to submit Disputes to a judicial referee, the parties preserve, without diminution, certain rights and remedies at law or equity and under the Agreement that such parties may employ or exercise freely, either alone or in conjunction with or during a Dispute. Each party shall have and hereby reserves the right to proceed in any court of proper jurisdiction or by self-help to exercise or prosecute the following remedies, as applicable: (A) all rights to foreclose against any real or personal property or other security by exercising a power of sale granted in the Agreement or under applicable law or by judicial foreclosure and sale, including a proceeding to confirm the sale, (B) all rights of self-help including peaceful occupation of property and collection of rents, setoff, and peaceful possession of property, (C) obtaining provisional or ancillary remedies including injunctive relief, sequestration, garnishment, attachment, appointment of receiver and in filing an involuntary bankruptcy proceeding, and (D) when applicable, a judgment by confession of judgment. Preservation of these remedies does not limit the power of a judicial referee to grant similar remedies that may be requested by a party in a Dispute. No provision in the Agreement regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in this Addendum for judicial reference of any Dispute. The parties do not waive any applicable federal or state substantive law except as provided herein.
5. If a Dispute includes multiple claims, some of which are found not subject to this Addendum, the parties shall stay the proceedings of the claims not subject to this Addendum until all other claims are resolved in accordance with this Addendum. If there are Disputes by or against multiple parties, some of which are not subject to this Addendum, the parties shall sever the Disputes subject to this Addendum and resolve them in accordance with this Addendum.
6. During the pendency of any Dispute that is submitted to judicial reference in accordance with this Addendum, each of the parties to such Dispute shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Addendum. The compensation of the referee shall not exceed the prevailing rate for like services. The prevailing party shall be entitled to reasonable court costs and legal fees, including customary attorneys' fees, expert witness fees, paralegal fees, the fees of the referee and other reasonable costs and disbursements charged to the party by its counsel, in such amount as is determined by the referee.
7. In the event of any challenge to the legality or enforceability of this Addendum, the prevailing party shall be entitled to recover the costs and expenses from the non-prevailing party, including reasonable attorneys' fees, incurred by it in connection therewith.
8. THIS ADDENDUM CONSTITUTES A "REFERENCE AGREEMENT" BETWEEN THE PARTIES WITHIN THE MEANING OF AND FOR PURPOSES OF CCCP § 638.

The parties wish to amend the above-referenced Agreement by adding the following State & Local Government language:

**REPRESENTATIONS AND WARRANTIES OF CUSTOMER:** You hereby represent and warrant to us that: (i) you have been duly authorized under the Constitution and laws of the applicable jurisdiction and by a resolution or other authority of your governing body to execute and deliver this Agreement and to carry out your obligations hereunder; (ii) all legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement; (iii) this Agreement is in compliance with all laws applicable to you, including any debt limitations or limitations on interest rates or finance charges; (iv) the Equipment will be used by you only for essential governmental or proprietary functions of you consistent with the scope of your authority, will not be used in a trade or business of any person or entity, by the federal government or for any personal, family or household use, and your need for the Equipment is not expected to diminish during the term of this Agreement; (v) you have funds available to pay Payments until the end of your current appropriation period, and you intend to request funds to make Payments in each appropriation period, from now until the end of the term of this Agreement; and (vi) your exact legal name is as set forth on page one of this Agreement.

NOTE: CAPITALIZED TERMS IN THIS DOCUMENT ARE DEFINED AS IN THE AGREEMENT, UNLESS SPECIFICALLY STATED OTHERWISE.

**NON-APPROPRIATION OR RENEWAL:** If either sufficient funds are not appropriated to make Payments or any other amounts due under this Agreement or (to the extent required by applicable law) this Agreement is not renewed either automatically or by mutual ratification, this Agreement shall terminate and you shall not be obligated to make Payments under this Agreement beyond the then-current fiscal year for which funds have been appropriated. Upon such an event, you shall, no later than the end of the fiscal year for which Payments have been appropriated or the term of this Agreement has been renewed, deliver possession of the Equipment to us. If you fail to deliver possession of the Equipment to us, the termination shall nevertheless be effective but you shall be responsible, to the extent permitted by law and legally available funds, for the payment of damages in an amount equal to the portion of Payments thereafter coming due that is attributable to the number of days after the termination during which you fail to deliver possession and for any other loss suffered by us as a result of your failure to deliver possession as required. You shall notify us in writing within seven days after (i) your failure to appropriate funds sufficient for the payment of the Payments or (ii) to the extent required by applicable law, (a) this Agreement is not renewed or (b) this Agreement is renewed by you (in which event this Agreement shall be mutually ratified and renewed), provided that your failure to give any such notice under clause (i) or (ii) of this sentence shall not operate to extend this Agreement or result in any liability to you.

**TITLE TO THE EQUIPMENT:** If the selected purchase option for this Agreement is \$1.00 or \$101.00, unless otherwise required by law, upon your acceptance of the Equipment, title to the Equipment shall be in your name, subject to our interest under this Agreement.

The parties wish to amend the above-referenced Agreement by restating the following language:

Any provision in the Agreement stating this Agreement supersedes any invoice and/or purchase order is hereby amended and restated as follows: "You agree that the terms and conditions contained in this Agreement, which, with the acceptance certification, is the entire agreement between you and us regarding the Equipment and which supersedes any purchase order, invoice, request for proposal, response or other related document."

Any provision in the Agreement stating that this Agreement shall automatically renew unless the Equipment is purchased, returned or a notice requirement is satisfied is hereby amended and restated as follows: "Unless the purchase option is \$1.00 or \$101.00, at the end of the initial term, this Agreement shall renew on a month-to-month basis under the same terms hereof unless you send us written notice at least 30 days before the end of any term that you want to purchase or return the Equipment, and you timely purchase or return the Equipment."

Any provision in the Agreement stating that we may assign this Agreement is hereby amended and restated as follows: "We may sell, assign, or transfer this Agreement without notice to or consent from you, and you waive any right you may have to such notice or consent."

Any provision in the Agreement stating that you grant us a security interest in the Equipment to secure all amounts owed to us under any agreement is hereby amended and restated as follows: "To the extent permitted by law, you grant us a security interest in the Equipment to secure all amounts you owe us under this Agreement and any supplements hereto. You authorize and ratify our filing of any financing statement(s) and the naming of us on any vehicle title(s) to show our interest."

Any provision in the Agreement stating that you shall indemnify and hold us harmless is hereby amended and restated as follows: "You shall not be required to indemnify or hold us harmless against liabilities arising from this Agreement. However, as between you and us, and to the extent permitted by law and legally available funds, you are responsible for and shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses, damages or losses arising under or related to the Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof, except that you shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses, damages or losses that arise directly from events occurring after you have surrendered possession of the Equipment in accordance with the terms of this Agreement to us or that arise directly from our gross negligence or willful misconduct."

Any provision in the Agreement stating that a default by you under any agreement with our affiliates or other lenders shall be an event of default under the Agreement is hereby amended and restated as follows: "You will be in default if: (i) you do not pay any Payment or other sum due to us under this Agreement when due or you fail to perform in accordance with the covenants, terms and conditions of this Agreement; (ii) you make or have made any false statement or misrepresentation to us; or (iii) you dissolve, liquidate, terminate your existence or are in bankruptcy."

Any provision in the Agreement stating that you shall pay our attorneys' fees is hereby amended and restated as follows: "In the event of any dispute or enforcement of rights under this Agreement or any related agreement, you agree to pay, to the extent permitted by law and to the extent of legally available funds, our reasonable attorneys' fees (including any incurred before or at trial, on appeal or in any other proceeding), actual court costs and any other collection costs, including any collection agency fee."

Any provision in the Agreement requiring you to pay amounts due under the Agreement upon the occurrence of a default, failure to appropriate funds or failure to renew the Agreement is hereby amended to limit such requirement to the extent permitted by law and legally available funds.

Any provision in the Agreement stating that the Agreement is governed by a particular state's laws and you consent to such jurisdiction and venue is hereby amended and restated as follows: "This Agreement will be governed by and construed in accordance with the laws of the state where you are located. You consent to jurisdiction and venue of any state or federal court in such state and waive the defense of inconvenient forum."

By signing this Addendum, Customer acknowledges the above changes to the Agreement and authorizes Lessor to make such changes. In the event of any conflict between this Addendum and the Agreement, this Addendum shall prevail. In all other respects, the terms and conditions of the Agreement remain in full force and effect and remain binding on Customer. This Addendum may be executed in multiple counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same agreement.

**Ray A. Morgan Company**

Lessor

Signature

Title

Date

**City of San Rafael**

Customer

**X**

Signature

Title

Date

NOTE: CAPITALIZED TERMS IN THIS DOCUMENT ARE DEFINED AS IN THE AGREEMENT, UNLESS SPECIFICALLY STATED OTHERWISE.



Ray Morgan Company

AGREEMENT NO.  
2683408

## STATE AND LOCAL GOVERNMENT ADDENDUM

Addendum to Agreement # 2683408 and any future supplements/schedules thereto, between **City of San Rafael**, as Customer and **Ray A. Morgan Company**, as Lessor ("Agreement"). The words "you" and "your" refer to Customer. The words "we," "us" and "our" refer to Lessor.

The parties wish to amend the above-referenced Agreement by adding the following language:

**REPRESENTATIONS AND WARRANTIES OF CUSTOMER:** You hereby represent and warrant to us that: (i) you have been duly authorized under the Constitution and laws of the applicable jurisdiction and by a resolution or other authority of your governing body to execute and deliver this Agreement and to carry out your obligations hereunder; (ii) all legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement; (iii) this Agreement is in compliance with all laws applicable to you, including any debt limitations or limitations on interest rates or finance charges; (iv) the Equipment will be used by you only for essential governmental or proprietary functions of you consistent with the scope of your authority, will not be used in a trade or business of any person or entity, by the federal government or for any personal, family or household use, and your need for the Equipment is not expected to diminish during the term of this Agreement; (v) you have funds available to pay Payments until the end of your current appropriation period, and you intend to request funds to make Payments in each appropriation period, from now until the end of the term of this Agreement; and (vi) your exact legal name is as set forth on page one of this Agreement.

**NON-APPROPRIATION OR RENEWAL:** If either sufficient funds are not appropriated to make Payments or any other amounts due under this Agreement or (to the extent required by applicable law) this Agreement is not renewed either automatically or by mutual ratification, this Agreement shall terminate and you shall not be obligated to make Payments under this Agreement beyond the then-current fiscal year for which funds have been appropriated. Upon such an event, you shall, no later than the end of the fiscal year for which Payments have been appropriated or the term of this Agreement has been renewed, deliver possession of the Equipment to us. If you fail to deliver possession of the Equipment to us, the termination shall nevertheless be effective but you shall be responsible, to the extent permitted by law and legally available funds, for the payment of damages in an amount equal to the portion of Payments thereafter coming due that is attributable to the number of days after the termination during which you fail to deliver possession and for any other loss suffered by us as a result of your failure to deliver possession as required. You shall notify us in writing within seven days after (i) your failure to appropriate funds sufficient for the payment of the Payments or (ii) to the extent required by applicable law, (a) this Agreement is not renewed or (b) this Agreement is renewed by you (in which event this Agreement shall be mutually ratified and renewed), provided that your failure to give any such notice under clause (i) or (ii) of this sentence shall not operate to extend this Agreement or result in any liability to you.

**TITLE TO THE EQUIPMENT:** If the selected purchase option for this Agreement is \$1.00 or \$101.00, unless otherwise required by law, upon your acceptance of the Equipment, title to the Equipment shall be in your name, subject to our interest under this Agreement.

The parties wish to amend the above-referenced Agreement by restating the following language:

Any provision in the Agreement stating this Agreement supersedes any invoice and/or purchase order is hereby amended and restated as follows: "You agree that the terms and conditions contained in this Agreement, which, with the acceptance certification, is the entire agreement between you and us regarding the Equipment and which supersedes any purchase order, invoice, request for proposal, response or other related document."

Any provision in the Agreement stating that this Agreement shall automatically renew unless the Equipment is purchased, returned or a notice requirement is satisfied is hereby amended and restated as follows: "Unless the purchase option is \$1.00 or \$101.00, at the end of the initial term, this Agreement shall renew on a month-to-month basis under the same terms hereof unless you send us written notice at least 30 days before the end of any term that you want to purchase or return the Equipment, and you timely purchase or return the Equipment."

Any provision in the Agreement stating that we may assign this Agreement is hereby amended and restated as follows: "We may sell, assign, or transfer this Agreement without notice to or consent from you, and you waive any right you may have to such notice or consent."

NOTE: CAPITALIZED TERMS IN THIS DOCUMENT ARE DEFINED AS IN THE AGREEMENT, UNLESS SPECIFICALLY STATED OTHERWISE.



# Addendum to Credit Agreement

(supplementing lease, rental or other credit agreement)



<b>Lessee/Renter/Customer:</b> City of San Rafael	<b>Title of lease, rental or other agreement:</b>
<b>Lessor or Lender:</b> US Bank Equipment Finance	<b>Dated:</b>
	<b>Lease, rental or contract #:</b>

This Addendum to Credit Agreement (this "**Addendum**") is made by and between the above-referenced lessee, renter or other customer ("**Customer**") and the above-referenced lessor or lender ("**Creditor**").

**Introduction:** Customer and Creditor are simultaneously herewith entering into the above-referenced lease, rental or other credit agreement (the "**Agreement**"); and Customer and Creditor wish to modify and/or supplement the terms of the Agreement, as more particularly set forth herein below. This Addendum shall be effective as of the same date as the Agreement (the "**Effective Date**").

**1. Incorporation and Effect.** This Addendum is hereby made a part of, and incorporated into, the Agreement as though fully set forth therein. As modified or supplemented by the terms set forth herein, the provisions of the Agreement shall remain in full force and effect, *provided that*, in the event of a conflict between any provision of this Addendum and any provision of the Agreement, the provision of this Addendum shall control.

**2. Definitions.** Capitalized terms herein that are not otherwise specifically defined herein shall have the same meanings as set forth in the Agreement. As used in this Addendum, the following terms shall have the following-described meanings:

"**Goods**" shall have the same meaning as the term "Equipment," "Leased Equipment," "Goods" or "Property" (or a similar term) as defined and used in the Agreement.

**3. Early Commencement.** Notwithstanding anything to the contrary in the Agreement, Customer hereby authorizes and requests that Creditor immediately commence the Agreement. Customer acknowledges and agrees that the Agreement is being commenced prior to the complete delivery and/or installation of the Equipment solely as an accommodation to the Customer. Customer agrees that even if the Equipment is not delivered, accepted and/or does not function or perform as Customer anticipates or expects, Customer shall (i) address any Equipment related problems or issues with reference to delivery or non-delivery or installation solely with Supplier and not any assignee of Supplier's interests in the Agreement (an "**Assignee**"), (ii) in all cases, make all payments to Creditor or an Assignee as and when due under the Agreement. Customer understands and agrees that Customer's obligations (including, without limitation, Customer's obligation to remit the scheduled periodic payments and all other amounts due under the Agreement) are absolute and unconditional and shall commence upon execution of this Addendum.

**4. Miscellaneous.** This Addendum, together with the provisions of the Agreement not expressly inconsistent herewith, constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings and commitments. This Addendum may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to constitute one of the same agreement. A facsimile or other copy of this Addendum with facsimile or copied signatures shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

<b>Customer:</b> By: <u>  X  </u> Print: _____ Title: _____	<b>Creditor:</b> By: <u>  X  </u> Print: _____ Title: _____
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**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Community Development

*Paul A. Jensen*

Prepared by: Paul Jensen (AG, EG)  
Community Development Director

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

*JS*

**TOPIC: MEASURES TO FACILITATE HOUSING DEVELOPMENT & STREAMLINE APPROVALS**

**SUBJECT: SUMMARY REPORT ON POTENTIAL AMENDMENTS TO THE SAN RAFAEL MUNICIPAL CODE TO FACILITATE HOUSING DEVELOPMENT AND STREAMLINE APPROVALS**

**RECOMMENDATION:**

Accept report (including September 8, 2020 Informational Report by reference) and direct staff to proceed as recommended in the report.

**BACKGROUND:**

On September 8, 2020, staff presented an [informational report outlining potential amendments to four main areas of the San Rafael Municipal Code \(SRMC\) aimed at facilitating housing development and streamlining approvals](#). These four areas included changes to:

- 1) Inclusionary Housing Requirement
- 2) Density Bonus
- 3) SRMC Amendments to Encourage Development and Streamline Approvals
- 4) Formalize Design Review Board Subcommittee

This informational report was accepted by City Council and included direction to staff to return with a summary of the policy direction and anticipated next steps.

**ANALYSIS:**

Following public comment, the City Council deliberated and provided high-level policy direction to staff. Based on this direction, staff is proceeding as follows:

1. Inclusionary Housing Requirement

*Policy Direction:* Pursue completion of SRMC amendments to the inclusionary housing requirements. The amendments will follow the Scenario 3: 10% Below Market Rate (BMR) Equivalent outlined in the September 8 report (Table 1). Per City Council suggestion, staff has renamed the “baseline requirement” and “additional requirement,” as the “primary requirement” and the “secondary requirement” respectively.

---

**FOR CITY CLERK ONLY**

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

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



**Table 1. Inclusionary Housing Requirements: 10% BMR Onsite Equivalent (Scenario 3)**

	<u>Rental</u>		<u>For Sale</u>	
	2-15 Units	16+ Units	2-15 Units	16+ Units
<b>Primary Requirement (All Projects)</b>	<b>10% Low-Income</b>	<b>5%- Low Income</b>	<b>10% Low-Income</b>	<b>5%-Low Income</b>
<b>Secondary Requirement (Must choose one option below in addition to the Primary Requirement)</b>				
		<b>5%- Low Income</b>		<b>5%- Low Income</b>
<i>Option 1) Onsite</i>	No Requirement	or	No Requirement	or
		<b>10%- Moderate Income Payment equal to 5% of Total units</b>		<b>10%- Moderate Income Payment equal to 5% of Total units</b>
<i>Option 2) In-Lieu Payment</i>	Allowed for Fractional Units		Allowed for Fractional Units	
<i>Option 3) Offsite</i>	No Requirement	* Within 1/2 mile of project * Similar economic benefit * Requires Director approval	No Requirement	* Within 1/2 mile of project * Similar economic benefit * Requires Director approval
<i>Option 4) Land Conveyance</i>	No Requirement	* Must be developable * Similar economic benefit * Requires Director approval	No Requirement	* Must be developable * Similar economic benefit * Requires Director approval

\* In-lieu fees allowed for fractional unit up to 0.5 Units, after 0.5 units project must provide one on-site unit

\*\*Very Low Income- 50% AMI or lower, Low Income- 80% AMI or lower, Moderate Income- 120% AMI or Lower

Additionally, policy direction included allowing entitled development projects to “buyout” a portion of any required onsite below market rate (BMR) housing units under the following conditions:

- The project has not submitted a building permit;
- The “buyout” amount is set at \$609,000 per unit;
- “Buyouts” only allowed for up to half of approved required onsite BMR housing units; and
- The project must pull building permits within one (1) year of agreeing to a “buyout.”

*Next Steps:* Staff will proceed with scheduling the public hearings and review by the Planning Commission and City Council, with anticipated adoption by December 2020.

**2. Density Bonus**

*Policy Direction:* Pursue completion of SRMC amendments to the density bonus provisions to align with state requirements as outlined in the September 8 report.

*Next Steps:* Staff will proceed with scheduling the public hearings and review by the Planning Commission and City Council, with anticipated adoption by December 2020.

**3. SRMC Amendments to Encourage Development and Streamline Approvals**

*Policy Direction:* Pursue completion of SRMC amendments as outlined in the September 8 report to include: Changes to the Appeals scheduling process; Hillside Exception processes to align with other types of exceptions in the City. All other elements of the Hillside development review requirement will remain intact and staff will continue to discourage Hillside Exceptions; Changes to small lot development allowing development at the designated densities; and height bonus provisions allowed by State Density Bonus Law.

*Next Steps:* Staff will proceed with scheduling the public hearings and review by the Planning Commission and City Council, with anticipated adoption by December 2020.

4. Formalize Design Review Board Subcommittee

*Policy Direction:* staff will proceed with “piloting” a less formal Design Review Advisory Committee (DRAC) that will include:

- Public noticing procedures and measures that allow for public comment and participation, including the use of remote (Zoom) meetings similar to the Zoning Administrator meetings format
- The “Planning Commission First” sequence of review will continue to be implemented but in a more robust way by providing opportunity for Planning Commission Action on projects followed by DRAC review of project design
- This resequencing of the process would apply to projects that require legislative actions (e.g., General Plan or Zoning Amendments), quasi-legislative actions (e.g., use permits, variances) or other larger projects that require higher level policy, land use, or environmental issues
- Membership of the DRAC would be selected from membership of the currently appointed Design Review Board
- The pilot program would be tested for a one-year term

*Next Steps:* As a pilot, the DRAC will be formulated by a City Council resolution, rather than amendments to the SRMC. The resolution will include the makeup of DRAC membership, a specified time frame for testing the DRAC, and noticing procedures to allow for public comment. Staff will return to the City Council with a draft resolution in October.

**COMMUNITY OUTREACH:**

The community outreach that has been conducted on the general housing topic and topic areas in this report is outlined in the September 8 [informational report](#). This report included public comments and correspondence received through the September 8 meeting. Comments received subsequent to distribution of the September 8 report are attached.

**ENVIRONMENTAL DETERMINATION:**

This report is provided for informational purposes and therefore will have no physical impact on the environment. The report is classified as a planning study, which qualifies for a Statutory Exemption from the provisions of the CEQA Guidelines under 14 CRR Section 15262.

**FISCAL IMPACT:**

This is an informational report, which has no direct fiscal impact on the City. The fiscal impact of any potential changes will be assessed and determined if changes are brought forward to the City Council for consideration and action.

**OPTIONS:**

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

1. Accept report and direct staff to proceed as recommended in the report.
2. Direct staff to return with more information.
3. Take no action.

**RECOMMENDED ACTION:**

Accept report and direct staff to proceed as recommended in the report.

**EXHIBITS:**

A. Public Comments



**BOARD OF DIRECTORS**

William Carney, President  
Bob Spofford, Vice President  
Jerry Belletto, Secretary  
Greg Brockbank  
Jim Geraghty  
Linda Jackson  
Kay Karchevski  
Kiki La Porta  
Jesse Madsen  
Samantha Mericle  
Sue Spofford

415.457.7656

166 Greenwood Avenue  
San Rafael, CA 94901

September 6, 2020

San Rafael City Council  
1400 Fifth Avenue  
San Rafael, CA 94901

**Re: Proposed Housing Policy Revisions**

Honorable Mayor and Council Members,  
Sustainable San Rafael welcomes the City's intention to incentivize more affordable housing, especially through revisions to San Rafael's inclusionary housing requirement. We offer the following comments to assist those efforts:

- Of the inclusionary housing scenarios proposed, Scenario 2 (15% onsite equivalent) seems the most promising. While encouraging more housing production by relaxing overall requirements, it also creates a path for more units affordable to moderate-income residents, the so-called "missing middle" in the housing market. The moderate-income option addresses a pressing need and makes developments more feasible by providing returns close to or in some cases exceeding market-rate units (Exhibit A).
- However, the in-lieu payment option in this scenario needs to be equivalent to 10% of total units (not 5%) in order to incentivize more affordable units being built more quickly on site—thereby furthering the basic purpose of inclusionary housing, which is to produce a more economically integrated San Rafael. For the same reason, the same 10% equivalency should apply to the options for offsite units and land conveyances. The staff report shows the 10% level of in-lieu payments is economically feasible (see Scenario 1). With the merger of current inclusionary categories into a single category over 15 units, the use of this standard is appropriate. Feasibility is the key metric here, not an imposed symmetry of monetary values that undercuts the public purposes of an economically integrated community and speedy delivery of housing supply.
- We also suggest allowing in-lieu payments for all 'fractional' on-site units, including those that are now 'rounded up.' This would provide the City with more funds to leverage State housing resources (to the extent these are likely to be available), while simplifying the complex calculations described on page 8 of the staff report.
- We urge the City to increase in-lieu payments for both housing and commercial developments to track current construction costs and better balance jobs and housing.

- Although we agree with the goal of incentivizing the start of construction of already approved developments in these difficult times, any retroactive ‘buyouts’ of affordable on-site units with in-lieu payments (or other sweeteners such as more moderate-income units) should be governed by Scenario 1, especially in cases where both the State and City have already granted sizable density bonuses with no increase in affordable units.
- While recognizing the need for more streamlined and predictable review processes, the need also remains for informed and public deliberation on matters of design quality in order to encourage development that fits and improves the city’s built environment. For these reasons, we recommend that the proposed Design Review Advisory Committee include a third member and conduct its meetings with customary public notice and participation.
- The dated material in Exhibit D shows the need for a comprehensive effort to integrate the city’s height bonuses with additional incentives for affordable housing and other public objectives, notably State housing density bonuses, the emerging Downtown Precise Plan and General Plan, potential use of Transferable Development Rights (TDRs) to support historic resources and shoreline resilience, and other current best practices. Decision makers and the public at least need a clear graphic indicating both base allowable heights and maximum allowable heights if all bonuses and incentives were applied to various districts.

Given the magnitude of changes proposed, the uncertainty of the economy, and the ongoing crisis of housing affordability and availability, we recommend that the effectiveness of these revisions in meeting housing goals be reevaluated annually, at least until the adoption of the City’s next Housing Element.

Finally, we suggest that the potential displacement of low-income families as existing properties are redeveloped be ameliorated by requiring higher relocation payments, longer notice provisions, and certificates of preference, so displaced tenants can rent the new affordable units built, whether on-site or with in-lieu funds.

Thank you for your close consideration.

Sincerely,

William Carney  
Board President

September 4, 2020

Honorable Mayor Phillips and City Council members  
City of San Rafael  
1400 Fifth Ave. Room 203  
San Rafael, CA. 94901

**CITY COUNCIL Hearing for Tuesday, Sept 8**

**Agenda Item 5.a: Measures to Facilitate Housing Development & Streamline Approvals -  
Comments on proposed changes to the Design Review Board and Hillside Exception Approval**

Honorable Mayor Phillips and City Council members:

We are a group of civically engaged residents that live on a hillside in San Rafael that includes Fremont Rd, Upper Fremont Drive, and Marquard Ave (aka Moore Hill) in the West End neighborhood. We are concerned about changes proposed by the Community Development Department that, if adopted, will directly impact future development on our hillsides. We think our surrounding hillsides present significant challenges for the development of remaining infill lots, including 1 acre on Upper Fremont Drive and 5.5 acres on Dunand Court, as well as much smaller lots with slopes exceeding 80%. Your decision to reduce (aka “streamline”) the review of development on our hillsides in our community will have a major impact on the safety, liveability and enjoyment of our neighborhoods.

Parcels in this area were created over 100 years ago, in 1913, when the roads were dirt and San Francisco residents built summer cabins in the area. Over the years, many of the original lots have been combined to create reasonably sized parcels more amenable to hillside development. The streets are city-maintained, very narrow and steep with hair-pin turns; in fact, a portion of Upper Fremont Drive remains as a dirt road.

Fremont and Upper Fremont are both 2-way dead-end streets with an average width of 12 feet, but in places only 9 feet wide! City code requires a minimum width of 25’ for a public street (15.07.030). When 2 cars going opposite directions meet, someone must back-up onto private property in order for the cars to pass, sometimes perilously backing uphill. There are no Fire Truck turn-arounds on either road and Fed-Ex has refused to deliver packages to portions of the hill due to the inability to turn their trucks around. Residents’ property has been damaged from vehicles backing into railings, fences, garages, and other cars, parked on private property.

We appreciate the City having the foresight to adopt the Hillside Design Guidelines (HDG) which protect our hillsides and provide a template for sensible development. We think the current process has been successful and question whether any streamlining or shortening of the public process will serve the City’s goal of providing a safe, healthy, and liveable environment in partnership with the community (Mission Statement, FY 2019-20).

Summary of our positions:

**1. Design Review Board (DRB) – We strongly SUPPORT public hearings by the full board for all hillside development**

**2. Downgrade the review and action on Hillside Exception requests from the City Council to the Planning Commission – We strongly OPPOSE the transfer of authority from the City Council to the Planning Commission to decide any Exceptions to Hillside development guidelines or standards.**

Discussion:

1. We **SUPPORT** maintaining the full Design Review Board hearings for hillside development.

The Design Review Board:

- Provides a valuable service to the city.
- Has extensive experience and expertise that is difficult to replicate or replace if disbanded.
- Provides expertise with design on sites that are difficult to develop because of shape, size or topography.
- Has extensive experience resolving design challenges for hillside development.
- Improves compliance with the Hillside Design Guidelines and limits the need for Exceptions.
- Public hearings should be required for projects requesting Exceptions to the HDG.
- Promotes excellence in project design.
- Provides support and oversight to “fill in the gaps” for reduced staffing or inexperienced staff in the Planning Department.
- Provides interested residents and those directly impacted an opportunity to comment on the design.
- Proposed changes would not allow the public to submit comments about the design or in any way participate in the design review process.
- Design issues not adequately addressed by the DRB will be moved to the Planning Commission which holds less design expertise.
- Instead of saving time, it may increase time at the Planning Commission to resolve issues that were previously heard before the DRB.
- The City, as a whole, benefits from well designed buildings that, once built, will be there for the enjoyment and harmony of the community for many years to come.

The Council may want to differentiate between process changes for large commercial/residential projects in the downtown or Costco at Northgate that generate a large public response versus hillside development which usually involves smaller projects but needs extra attention to the design because of the City’s intention and adoption of additional design criteria to protect our hillsides.

We see significant value in maintaining the Design Review Board hearings for hillside development. In a recent application for a 3-story home on this hillside, the planning department chose to forgo the DRB hearing for a less formal review. The plans only showed one exterior door and code requires at least two means of egress; the limited design review did not discover this. We included this deficiency

in our comments but we didn't see the plans until after the design review. The Planning Commission will now need to address this design flaw. The planner suggested that the building department could swap a window out for a door but we feel all design issues should be addressed in the early stages of review, not after the project has been approved, sparing all parties wasted time, costs and frustration.

In another instance, a member of the Design Review Board discovered that the square footage of the lot was overstated by more than 1,000 sq feet on the plans. This is critical on hillside lots because both the lot square footage and slope are used to determine the natural state requirement (ie: amount of square footage to be left in a "natural state") which ultimately determines the size of the home that can be built. An overstatement of the lot size can result in a larger house than would otherwise be allowed.

2. We strongly **OPPOSE** the downgrading of Exception approval from the City Council to the Planning Commission for all projects subject to the Hillside Development standards for the following reasons:

- The current process has been in effect for almost 30 years and has been very effective at improving design quality in our hillside residential neighborhoods, as intended.
- The City Council further clarified their intention of requiring Exception approval by the City Council in 2010 by inserting the phrase "City Council Exception Required" in 14.12.040 (Ord. No. 1882).
- The proposed change undermines the Hillside Design Guidelines' original intent to require oversight by the City Council for any deviation from the objectives of Hillside Development standards.
- The proposed change would allow the Planning Commission "carte blanche" to approve any and all Exceptions without limitation on the number or extent of deviation from the standard.
- The Planning Commission doesn't have the gravitas to evaluate Exceptions that carry the potential to threaten public health and safety, e.g: an Exception to the parking requirement that results in road blockages and lack of access for fire and emergency vehicles.
- Reverses successful practices of the past, changing the character of hillside neighborhoods, and creating ill-intended negative impacts on residents.
- Shifts the burden from the developer justifying the Exception to an appellant proving why an Exception approved by the Planning Commission should be reversed.
- Creates a barrier to public participation by requiring payment of a \$350 filing fee to appeal a Planning Commission decision to the City Council for an Exception.
- Possible increase in the number of appeals filed before the City Council.
- What appears as a minor change could prove disastrous over time as developers pursue approval of hillside Exceptions more aggressively and with more frequency and acceptance, resulting in "process creep" where Exceptions become the "norm" and Hillside Development Standards are no longer relevant.
- With the paring down of the Design Review Board input and proposed downgrading of City Council's authority for approving Exceptions, the review and approval process of a hillside development is reduced to the Planning Commission, as the sole hearing body, or in some cases, the Zoning Administrator, reversing years of past practice involving a careful and thorough review and resulting in what we believe is an incomplete process.
- Decisions about Exceptions that impact Public Health and Safety are best made by the City Council, NOT the Planning Commission.



The original development of the Hillside Design Guidelines, in 1992, went through a rigorous development and review process. It received outstanding national recognition for protecting environmental resources and providing architectural guidelines to prevent massive, out-of-scale hillside development. The City received several outstanding planning awards from the American Planning Association and the Guidelines have served as a model for other communities across the country!

It was the intention of the City Council at the time of adoption of the Hillside Guidelines that City Council approval was required for all Exceptions. As Council member Joan Thayer said, “how could we carry out the objectives of the standards if all of the criteria is waivable.” Council member Cyr Miller said that “exceptions should be limited to those which are absolutely legally necessary and limit approval to the City Council.” Sheila Delimont, the assistant Planning Director at the time, said that “if it is approved by the City Council, it has to be superior to what the Guidelines require” and that exceptions would not be granted wholesale, but only after careful consideration by the Design Review Board and City Council.

The decision to require the City Council to hear exceptions was intentional. There was careful deliberation about what this meant and why it was important to require City Council approval of Exceptions. With enough flexibility in the guidelines, any exception to the guidelines should be based on a superior application of the guidelines, not a dismissal of them. That is reflected in the current municipal code, 14.12.040. B. which states the criteria for granting an exception:

***“Alternative design solutions which minimize grading, retain more of the project site in its natural state, minimize visual impacts, protect significant trees, or protect natural resources result in a demonstrably superior project with greater sensitivity to the natural setting and compatibility with and sensitivity to nearby structures.”***

In fact, the City Council strengthened the wording for Exceptions to Hillside development standards in 2010 (Ord. 1882) by adding the words “City Council Exception Required”.

Now is not the time to reverse course. Thorough Design Review and Exception approval by the City Council are critical to maintain the continued success of hillside development in San Rafael. A temporary economic slump is not a reason to loosen the standards. Once changed, it would be very difficult to reinstate after the economy recovers and the negative impacts on our neighborhoods are permanent.

The Planning Commission’s role is to make decisions on development and land use applications, not Public Safety. Many of the Exceptions to the Hillside development standards have a direct impact on Public Health and Safety and are best decided by the City Council. For example:

a. Exceptions to the natural state requirement or parking requirements can compromise Public Health and Safety by impacting emergency access or facilitating the spread of fire to neighboring structures.

On January 4, 2016, a house on Upper Fremont Drive caught fire and resulted in a total loss. To avoid the first hair-pin turn on Fremont Rd, a large Fire truck stopped on Fremont, just past Marquard, where fire fighters decided to physically carry heavy equipment 800 feet up the steep hill and down a dirt road to the burning house. According to the Fire log, at 1:42 am, it says “E54 and B52 are stuck unable to get out at this time.” The Chief officer car and a Suppression Engine were stuck and could not get off the hill. There is no fire truck turn-around on Upper Fremont, as required by the International Fire

Code which requires a turn-around on access roads in excess of 150 feet (Section D 103.4). Lack of a fire truck turn-around makes it impossible to maneuver emergency vehicles.

Fortunately, this disaster occurred during a cold rainstorm, in the dead of night. If not for the rain, it could have been much worse. Imagine if it had happened on a dry, windy, hot summer day during a rolling PG&E blackout. The burning house was far enough from other homes that flying embers were less likely to land on neighboring rooftops. Development that complies with the natural state requirement creates enough distance between hillside homes to prevent the quick spread of fire. If hillside parking standards are relaxed, illegally parked cars could block access for fire and emergency vehicles or block evacuation and trap residents during an emergency.

The Fire Marshall recently commented on access issues for a vacant lot on Upper Fremont:

**“The Fire Department is unable to provide emergency fire or EMS services that meets NFPA Standard 1710 response time criteria because the existing public roadway does not accommodate fire apparatus vehicles and does not meet CFC provisions for Fire Apparatus Access Roads. San Rafael Fire vehicles are unable to maneuver to this property due to unusual topographical conditions, substandard roadway width, and hairpin type curves that do not meet CFC turning radius provisions. Additionally, there is no existing provision on Upper Fremont Drive to accommodate the turning around of fire apparatus as required by CFC Appendix D.”**

There is no firetruck turnaround on Upper Fremont Drive or at the end of Fremont Road. These are both dead-end streets with only one way in, and one way out.

b. Comprehensive geotechnical and hydrological assessment is important to avoid building on unstable slopes and underground aquifers, causing damage to nearby properties or city streets.

This hillside has a history of landslides caused by unstable slopes and excessive runoff during the rainy season. Areas subject to slides or instability are a threat to public safety. Slippage and collapse, drainage and erosion can threaten neighboring properties.

Exceptions to Hillside development standards should remain the exception and not the norm. The City Council is the appropriate body to make the final determination whether an Exception will compromise public safety or subject the City to potential litigation in the future.

In closing, we request that you ask yourselves the following:

- What is the outcome you envision as a result of these "streamlining" proposals? Do you expect the outcome, in this case the approved development, to be the same?
- We understand the need to create an efficient system that works for everyone. However, by eliminating steps in the review process (taking short-cuts), are you really "improving" the process, or is the quality of the process being compromised?
- Whose interests are best served by eliminating public hearings in front of the Design Review Board and City Council (re Exceptions) for hillside developments)?
- Have you considered that eliminating these public hearings may be perceived as a lack of transparency, especially during COVID-19 restrictions.
- Finally, please explain how eliminating public hearings fulfills your Mission Statement (FY 2019-20) to work in partnership with the community to create safe, healthy and liveable environments.

We are pleased to receive support from our hillside neighbors in Gerstle Park, as noted below. We trust our comments will be taken seriously, and we appreciate your careful consideration.

Sincerely,

Victoria DeWitt, Fremont Rd  
Fred P. Cushing, Upper Fremont  
Michael Smith, Upper Fremont  
Davis Perkins, Upper Fremont  
Toni McIntyre, Marquard  
Mikei Davis, Upper Fremont  
Steve Thomson, Fremont Rd  
Maren DeGraff, Fremont Rd  
Zanette Johnson, PhD, Marquard  
Crystal Wright, Upper Fremont  
Tim Bowen, Fremont Rd

Amy and Joe Likover, Reservoir (Gerstle Park)  
Tom Heinz, Clorinda (Gerstle Park)  
Denise Van Horn, Clorinda (Gerstle Park)  
Emese Wood, Gloria Dr (Gerstle Park)  
Dolores Manuel, Estates Court (Gerstle Park)  
Lori Davis, Upper Fremont  
Jasmin Thomson, Fremont Rd  
Adam DeGraff, Fremont Rd  
Mark Abadi, Marquard  
Rena Harel, Upper Fremont  
Anne Bowen, Fremont Rd

cc: Paul Jensen, Community Development Director

**From:** [Lindsay Lara](#)  
**To:** [REDACTED]  
**Subject:** Re: Letter of objection to DRB changes - Cheryl Douglas  
**Date:** Tuesday, September 8, 2020 7:23:49 PM

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Hi Amy - do you wish for me to read these comments aloud?

Lindsay Lara, CMC, CPMC | [City of San Rafael](#)

CITY CLERK  
1400 5<sup>th</sup> Avenue, Room 209  
San Rafael, CA 94901  
w - 415.485.3065  
c - 415.827-3806

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**From:** Amy Likover [REDACTED] >  
**Sent:** Tuesday, September 8, 2020 7:16 PM  
**To:** Lindsay Lara <Lindsay.Lara@cityofsanrafael.org>  
**Cc:** Gary Phillips <Gary.Phillips@cityofsanrafael.org>; Kate Colin <Kate.Colin@cityofsanrafael.org>; John Gamblin <John.Gamblin@cityofsanrafael.org>; Maribeth Bushey <Maribeth.Bushey@cityofsanrafael.org>; Andrew McCullough <Andrew.McCullough@cityofsanrafael.org>; Paul Jensen <Paul.Jensen@cityofsanrafael.org>  
**Subject:** Letter of objection to DRB changes - Cheryl Douglas

*Re: DRB recommendations from City Staff*

*I received this letter earlier today*

*Thanks,*

*Amy Likover*

Hi Amy,

I can't thank you enough for all your conscientious work, shepherding the Federation. I'm just not able to do those things at present.

I am also grateful that you made me aware of what I see as an important and unfortunate proposed change to the SR Municipal Code which staff and the Council are proposing to vote on tonight. I do not understand the necessity of this push to essentially dissolve the Design Review Board. I just checked with two current members of the Board and they did not even know this proposal was in the works. I believe this is being done without appropriate citizen input.

We hear so many long-time San Rafael residents bemoan their increased perception that the city and lifestyle they valued and worked to maintain here is fast slipping away. The governing powers talk a good game about involving residents in the process, about making things more transparent. But now they are shutting off the best avenue that exists to have a public process, a process that includes public meetings held during evening hours (when more people can attend). Not even the newspaper will be covering upcoming development negotiated behind closed doors at City Hall.

Design Review Board meetings are the earliest and best opportunities for the public to actually see what developments are proposed, to have direct interaction with design professionals from all sides, and to help shape projects to reflect community values. The PC is charged with big picture issues that the DRB is not allowed to involve itself with, like zoning, traffic or land use. And the PC also serves as the ultimate approval body. However, the PC is a commission with few design professionals on it, the DRB does the heavy lifting of analyzing the minutia of how a project works and how it looks. Planning Commission approval has always been heavily influenced by recommendations from the DRB, because the two groups bring very different skill sets to the process. By the time a project is taken to the PC, plans can be rather difficult to influence.

The City of San Rafael has been the fortunate recipient of many thousands of hours of free expert advice and brainstorming from the licensed professionals that sit on the DRB. Individual members hear from citizens they encounter on site visits, and people who speak from the audience during meetings. DRB members have even successfully championed public opinions that had been flatly rejected by staff. Projects get better because of their contributions. Why would we not want that?

If Council thinks that the approval process takes too long, they need to look at where the delays really are. As someone experienced in the permitting process all over the state, the worst delay I ever had getting in the cue was a month, out of a design and permitting process of nearly two years. A month is not too long to wait to be sure we are building good projects, which are as successful for all parties as we can make them.

This seems to be a committee without even a regular meeting schedule. May the public attend? Will there be minutes posted? Yes, the original DRB meetings require staff to prepare an evaluative report for the DRB (and public) and require staff to attend a maximum of two night meetings a month; but that seems a small cost for an excellent long term return on that investment. If the DRB is not doing its analysis, then staff will have to somehow pick up the slack.

During COVID, without public meetings and normal routines, many of us have simply lost touch with what the city is doing behind the scenes. I am hoping there are others who will speak out tonight. I wish I had more lead time to spread the word so we could tell the Council that we do care about what they are doing, and do not like having even more of our opportunities to influence stripped away.

As design professionals, the Design Review Board simply contributes an exceptional skill set that is not provided by staff, the PC nor City Council, and five heads are that much better than two.

Thank you,

Cheryl Douglas



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: CITY MANAGER**

**Prepared by: Andrew Hening**

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

**TOPIC: HOMELESSNESS**

**SUBJECT: INFORMATIONAL REPORT ON STATUS OF HOMELESSNESS IN SAN RAFAEL**

**RECOMMENDATION:**

Accept Informational Report and Provide Direction to Staff.

**BACKGROUND:**

In January 2017, according to a [report](#) from the Bay Area Economic Institute and McKinsey Consulting, Marin County had the seventh highest per capita rate of homelessness in the entire country. By January 2019, however, overall homelessness in Marin had fallen by 7%, long-term chronic homelessness had declined by 28%, and unsheltered homelessness in San Rafael had dropped by 30%. Over this same two-year period, approximately 80% of California counties saw [increases](#) in homelessness, including a 20% increase in San Mateo County, a 31% increase in Santa Clara County, and a 43% increase in both Alameda County and Contra Costa County. These numbers were not an accident. Beginning in the spring of 2016, the City of San Rafael, alongside the County of Marin and local nonprofit partners, began implementing a series of pilot programs that ultimately became county-wide strategies for transforming Marin’s homeless service system.

The initial drive for change was spurred by community concerns about the impacts of homelessness in Downtown San Rafael, specifically issues like flagrant public intoxication and untreated mental illness. As the City, County, and local providers began to focus on this population, we realized this was actually a relatively small group of people (the chronically homeless are approximately 20% of the total homeless population), yet they were generating significant public complaints, as well as substantial systemic costs. One [study](#) at that time, which focused specifically on chronic inebriates, found that these high-needs individuals were costing the community \$60,000+ per year in public services. At the same time, these were also some of the most vulnerable people in the community, on average dying 20+ years earlier than their housed peers from treatable chronic illnesses.

To address this hard-to-serve population, a team of local leaders, which was co-led by the City, began visiting other Bay Area communities to learn more about how this group could be helped. During those field trips, we discovered an outreach program in San Mateo which had essentially ended chronic homelessness in their downtown. The San Mateo Police Department led the effort by convening every

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**FOR CITY CLERK ONLY**

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

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

local service provider, creating a by-name-list of the most challenging individuals in their community, and then meeting every two weeks to develop and implement customized housing strategies for each person. This effort seemed promising, so the City, the County, and local partners launched the Marin Homeless Outreach Team (HOT) in early 2016 with an initial focus on Downtown. In its first 18 months, HOT housed 23 of the most high-impact, long-term chronically homeless individuals in San Rafael. Because of the success, the [League of California Cities](#) named HOT a state-wide best practice for addressing homelessness.

Based on HOT's early success, our team started looking at ways to scale our impact. The tipping point was when we discovered [Community Solution's Built for Zero campaign \(BfZ\)](#). BfZ is a national movement of over 80+ communities who are working to end chronic and veteran homelessness by using a shared methodology and data standards. To-date, with the help of the BfZ model:

- 1 California community (Riverside City & County) has ended veteran homelessness
- 3 communities nationally have ended chronic homelessness
- 11 communities nationally have ended veteran homelessness
- 44 communities nationally have driven a community-wide reduction in homelessness

The BfZ methodology is predicated on:

- **Integrating the Local Team:** Traditionally, homelessness response systems are deeply siloed. BfZ communities build integrated, multi-agency teams which take responsibility for getting to zero.
- **Real-Time Measurement:** BfZ communities build privacy-protected, continuously updated, by-name lists of all those experiencing homelessness to track and respond to the problem in real time.
- **Rapid Cycle Testing:** Homeless is too dynamic for ten-year plans. BfZ communities use the same iterative problem-solving skills that have revolutionized global health efforts like the fight against polio to test, evaluate and scale the highest impact strategies quickly.
- **Targeted Housing Investments:** Many cities have ramped up affordable housing with no effect on homelessness. BfZ communities use real-time data to make targeted investments that yield reductions.

Encouraged by the example of BfZ communities who were farther along in the process than we were (e.g. Montgomery County, Maryland, a suburban community outside of Washington, D.C. had reduced chronic homelessness by 50%; Bergen County, New Jersey, a suburban community outside of New York City had ended chronic homelessness), in October 2017 we officially launched our new countywide "Coordinated Entry System". Coordinated Entry took the by-name-list concept we piloted in San Rafael with HOT and made it a countywide system. We shifted from subjectively determining who the most high-needs individuals were and instead moved to more objective measurements of vulnerability to determine housing prioritization.

Of course, the by-name-list was just the first step – it was the organizing principle. To be successful, we needed more housing and services. Prior to the launch of Coordinated Entry, we had been reliant on one-off openings in existing supportive housing programs, as well as an occasional housing voucher from Marin Housing Authority (MHA). Impressed by our results, however, in the summer of 2017, MHA pledged 70 annual slots on the Section 8 Waitlist for referrals from Coordinated Entry. This commitment, in turn, was contingent on the County of Marin providing sufficient supportive services to ensure these high-needs individuals were receiving sufficient assistance. Fortunately, at that same time, the State of California released new funding through "Whole Person Care", which was designed to provide counties the resources they needed to serve individuals who are high utilizers of the healthcare

system. Because of the new vouchers and service dollars, our community was able to launch “Housing First” at scale, and since October of 2017, we have housed over 200 of the most visible and vulnerable homeless individuals in Marin, and even during the pandemic, we continue to house 6+ people per month.

[Housing First](#) is an evidence-based best practice for housing people experiencing chronic homelessness. Historically, communities often make housing contingent on a person first getting sober, getting medicated, getting employed, and thriving in emergency housing. The result is that the most high-needs people are unable to meet these requirements, precisely because they are high-needs, and, thus, they never get housed. Housing First flips that notion on its head. It treats the lack of permanent housing as *the* paramount, foundational challenge. Once someone is back inside, then they can begin to work on their sobriety, employment, etc. Interestingly, the long-term retention rates in Housing First programs are in some cases 200% higher than the status quo of “treatment first”. Since October 2017, of the 200+ chronically homeless people we’ve housed, over 90% are still housed. For individuals who were homeless in San Rafael, based on data from the Police Department and Fire Department, we have observed a 54% reduction in EMS transports after people are housed and an 86% reduction in police interactions. Of note, thanks to the flexibility of the housing vouchers, the people who are being housed are finding units throughout the county, not simply in San Rafael, including Mill Valley, Corte Madera, San Anselmo, and Novato.

In addition to our strategic efforts around chronic homelessness, there have been a number of tactical changes that have also gone into effect in San Rafael

- In 2017, based on a Memorandum of Understanding between the City of San Rafael and the Ritter Center, the Ritter Center stopped providing homeless mail services. The City now funds Ritter (\$10,000 per year) to administer PO Boxes at the San Rafael Post Office on Bellam Blvd. Previously Ritter had been serving 500+ clients with this service.
- In 2018, based on the same Memorandum of Understanding, Ritter stopped providing shower services Downtown, which had previously received approximately 300 visits per week. The closure coincided with the launch of the Marin Mobile Care mobile showers, which are now operated by Downtown Streets Team in East San Rafael, Novato, Fairfax, and Sausalito. They are also approved to operate in Corte Madera and Larkspur.
- Through continued leadership from the City, every city and town in Marin is contributing to the Community Homeless Fund. Since 2018, the fund has been used to support the mobile shower program as an outreach platform for Coordinated Entry. With total annual funding of \$180,000, San Rafael contributes \$36,000 a year. The current three-year funding commitment ends after FY20-21; however, Marin Community Foundation has provided \$180,000 to cover FY21-22.
- The City continues to support the Downtown Streets Team (\$75,000 for FY20-21), which is a work experience program designed to beautify the community while helping people experiencing homelessness regain the skills and confidence they need to reenter the workforce. After starting as a pilot in Downtown San Rafael in July 2013, the program is now operating city and countywide.
- The City continues to provide proactive outreach to the homeless community through the Police Department’s Special Operations Unit, which is led by Sgt. Carl Huber and includes San Rafael’s Mental Health Outreach Liaison Lynn Murphy (and comfort dog Blue).

**ANALYSIS:**

Despite recent momentum, 2020 has ushered in a variety of new challenges for San Rafael’s response to homelessness. First and foremost is the COVID-19 pandemic. Given the inherent health vulnerability of people experiencing homelessness, there has been considerable concern about a possible outbreak



within the homeless community. To help mitigate this concern, there have been a variety of new initiatives, primarily led by the County of Marin's Emergency Operation Center, to mitigate this threat. Those efforts have included:

- Expanding shelter capacity by as much as 60% by working with local hotels and motels
- The County has been extending a countywide eviction moratorium to prevent an inflow of new people experiencing homelessness
- Providing emergency rental assistance to over 1,000 households
- Leveraging County of Marin disaster service workers to continue outreach to encampments throughout the county
- Conducting mass testing at various homeless service providers to assess whether or not an outbreak has occurred (it has not to-date)
- The City, County, and a group called Opening Doors Marin are pursuing housing acquisition opportunities through the State's "Project Homekey" initiative
- The City is installing outlet adapters Downtown to prevent loitering while people charge devices; St. Vincent's has generously agreed to provide 30 portable solar charging units, again to deter people from loitering and congregating in Downtown to charge devices

Despite all of these efforts and the fact that, to-date, we have not seen any significant COVID-19 transmission within the homeless community, there is still considerable concern about a potential wave of new people becoming homeless. The Canal neighborhood, for example, which has seen one of the highest concentrations of COVID-19 in Marin and people more generally are in a very precarious economic situation.

Through both the emergency rental assistance cited above, as well as previous rental housing regulations, such as just cause for eviction and mandatory mediation, the City has taken steps to try to prevent homelessness. There are additional policies that some communities are considering, for example emergency rent control, and there is also significant pressure at the State-level to enact more protections.

COVID-19, sadly, is not the only disaster response involving the homeless community. In the past month alone, the County's Emergency Operation Center has also needed to respond to air quality conditions from local wildfires, as well as the need for cooling stations during recent heatwaves. These are becoming increasingly frequent events, and the City will need to be prepared to work in partnership with the County and other providers as these issues arise.

On the issue of wildfires, historically San Rafael has relied on the assistance of part-time open space rangers, who are responsible for finding, noticing, and coordinating the cleanup of encampments located in open space and park areas. Thanks to funding from the new Marin Wildfire Prevention Authority, the City now has capacity to support a full-time position. This increased enforcement capacity is leading to fewer encampments in the open space, but it is also resulting in more encampment activity in Downtown and in residential areas. This is a complex challenge requiring a coordinated assessment of public safety concerns.

Further complicating any enforcement efforts, the September 2018 *Martin v. Boise* court decision continues to prohibit local communities from citing or arresting people for simply sleeping outside on public property when the community has insufficient alternatives for shelter. Additionally, because of COVID-19, the criminal justice system is also operating at modified capacity, which means the Police Department cannot address certain misbehavior the way we have in the past. Again though, we find that the overwhelming majority of the "negative manifestations" of homelessness are coming from a small minority. In the open space specifically, there are approximately one to two dozen service-

resistant individuals who tend to move from site to site. Beginning in July of this year, the County began hosting a countywide encampment triage meeting, bringing together law enforcement and service providers from throughout the county to try to mitigate hot spots and get people connected with services. It can often feel like San Rafael is facing this issue alone, but there is significant encampment activity throughout the county, the Bay Area, and beyond.

While the City must ultimately develop strategies and responses for all of the different manifestations of homelessness in San Rafael, it is critical to not let an emergency response jeopardize our core strategy around housing first and ending chronic homelessness. It is the chronically homeless who are the most vulnerable to COVID-19 and other public health events, and it is also the chronically homeless who continue to cause the most frustration for the community. We know that housing and services work; the past four and a half years prove it.

**FISCAL IMPACT:**

There is no fiscal impact associated with this report.

**RECOMMENDATION:**

Accept Informational Report and Provide Direction to Staff.